

COLBERT WINSTEAD  
ATTORNEYS<sup>PC</sup>

Richard L. Colbert  
Kurtis J. Winstead  
J. Frank Rudy, Jr.

1812 Broadway  
Nashville, TN 37203  
FAX: 615.321.9555  
PHONE: 615.321.0555

W. Gregory Miller  
Kent B. Thomas  
J. Christopher Anderson  
Marty S. Turner

03 FEB 12 PM 2:41

February 12, 2003 TN REGULATORY AUTHORITY  
DOCKET ROOM

**Via Hand Delivery**

Office of the Executive Secretary  
c/o Sharla Dillon  
Tennessee Regulatory Authority  
460 James Robertson Pkwy.  
Nashville, TN 37243-0505

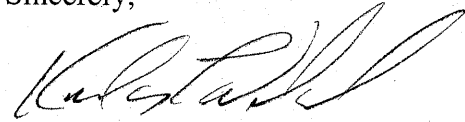
03-00124

**Re: Petition for Certificate of Convenience and Necessity**

Dear Ms. Dillon:

Integrated Resource Management, Inc. d/b/a IRM Utilities files the attached Petition for a Certificate of Public Convenience and Necessity to operate a wastewater treatment system for Black Bear Ridge Properties, LLC in Seviere County, Tennessee. Please contact Jeffrey W. Cox, Sr., President of IRM, or me, as local counsel if you have any questions.

Sincerely,



Kurtis J. Winstead

KJW/rb  
Enclosure

cc: Jeffrey Cox  
P. O. Box 642  
White Pine, TN 37890



P.O. Box 642  
3444 Saint Andrews Drive  
White Pine, Tennessee 37890  
Phone (Vol) 674-0280  
Facsimile (Vol) 674-2352  
Toll Free (877) 746-2910

Vol 120-1-1 PM 2 41  
TN REGULATORY AUTHORITY  
DOCKET ROOM

February 3, 2003

TRA Directors  
Tennessee Regulatory Authority  
460 James Robertson Parkway  
Nashville, TN 37243-0505

RE: Petition for a Certificate of Public Convenience and Necessity (CNN)  
Black Bear Ridge Subdivision  
Sevier County, Tennessee

Dear Sirs/Madams,

Representatives of **IRM** Utility, Inc. have been in contact with representatives and staff of the TRA for the last two years to prepare for this submittal. We have worked diligently to submit this in accordance to TRA Rule 1220-1-1-.03 in this filing. We are pleased to submit this under section 1220-1-1-.03(4),(5) of the electronic filing procedure.

**IRM** Utility, Inc. was supplied a recommendation that gave twenty (20) items as a guide for this submittal. We have utilized this guide as a format for this submittal. This letter will serve as a certification confirming that service has been made on the persons there shown by the means shown in accordance to 1220-1-1-.03(2). Also, to familiarize you with our program we have included an executive summary:

#### Executive Summary

Integrated Resource Management, Inc. is a chartered corporation in good standing with the State of Tennessee. Integrated Resource Management, Inc. has redefined by resolution its direction in environmental consulting, and resource management, to include activities as a Privately Owned Public Utility Company. The company is doing business as **IRM** Utilities, Inc.

Enclosed is a summary including mission statement, services, management team, and general qualifications statement for **IRM** Utilities, Inc.



Recycled Paper

**Mission Statement**  
How We View the Environment

The health of the environment has always been maintained by the balanced operation of natural cycles. By closing the loops of mankind's use of the earth's resources, we are able to contribute to the healthy functioning of nature's cycle. Our goal while serving the needs of the public and community is to recycle valuable resources in a way that is environmentally and technically sensible while being economically worthwhile. Our approach to environmental projects is to be biologically sensitive to the needs of balance that is required to maintain sustainable development and the health of the ecosystem.

**Statement of Services**

Sustainable development is promulgated by beneficial reuse of resources utilized by the community. The reuse of the wastewater resources is a beneficial reuse whether the reuse is on-site or off-site. Therefore, **IRM** Utilities, Inc. will describe the recycling as beneficial reuse.

**IRM** Utilities, Inc. is providing the management of beneficial reuse wastewater disposal options that are designed to recharge the groundwater with high quality treated effluents, in lieu of the direct channeling of water resources to streams, lakes, and rivers, and subsequently the oceans. The high quality effluents will be a product of established and approved biological treatment systems. The systems are approved and regulated by the Tennessee Department of Environment and Conservation.

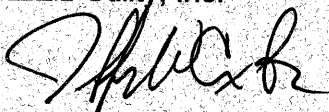
**IRM** Utilities, Inc. is developing affordable disposal options for small rural communities that would not be able to afford more conventional means of disposal while at the same time, reusing or recycling water as a beneficial resource.

**Certification Statement**

I hereby certify that the information gathered and presented herein is accurate to the best of my abilities and confirming that this petition has been made in accordance to 1220-1-1-.03(2).

Thank you.

**IRM** Utility, Inc.



Jeffrey W. Cox, Sr., President



***Petition of a Wastewater Company, IRM Utility, Inc.***

*for a*

***Certificate of Public Convenience and Necessity for an Investor Owned Utility***

## **Section 1**

### **Description of Service**

***IRM*** Utility, Inc. has a contract/agreement to operate a wastewater treatment system for Black Bear Ridge Properties, L.L.C. The property the system will be located on is known as the Black Bear Ridge planned unit development (Development), in Sevier County, Tennessee. The location of the property is indicated in Section 2 of this petition. The Development is proposed for 173 units in the first phases of the project.

***IRM*** Utility, Inc. will provide the day to day management of the system and monitoring of the system spelled out in the State Operating Permit under the auspices of the Tennessee Department of Environment and Conservation, Division of Water Pollution Control (TDEC).

The treatment system theory is a biological recirculating system utilizing the same concepts as a recirculating sand filter system. The concepts of this system have previously been approved by TDEC in a number of applications. The collection of treated effluents will be by a septic tank effluent pumping system (STEP). The disposal system is a subsurface drip system that is utilizing procedures that have previously been approved by TDEC.

***IRM*** Utility, Inc. will have the responsibility of managing the wastewater treatment, collection, and disposal system in perpetuity.

***IRM*** Utility, Inc. will have the responsibility of collecting monthly fees, tap fees, and accounting as required by the TRA.





***Petition of a Wastewater Company, IRM Utility, Inc.***

*for a*

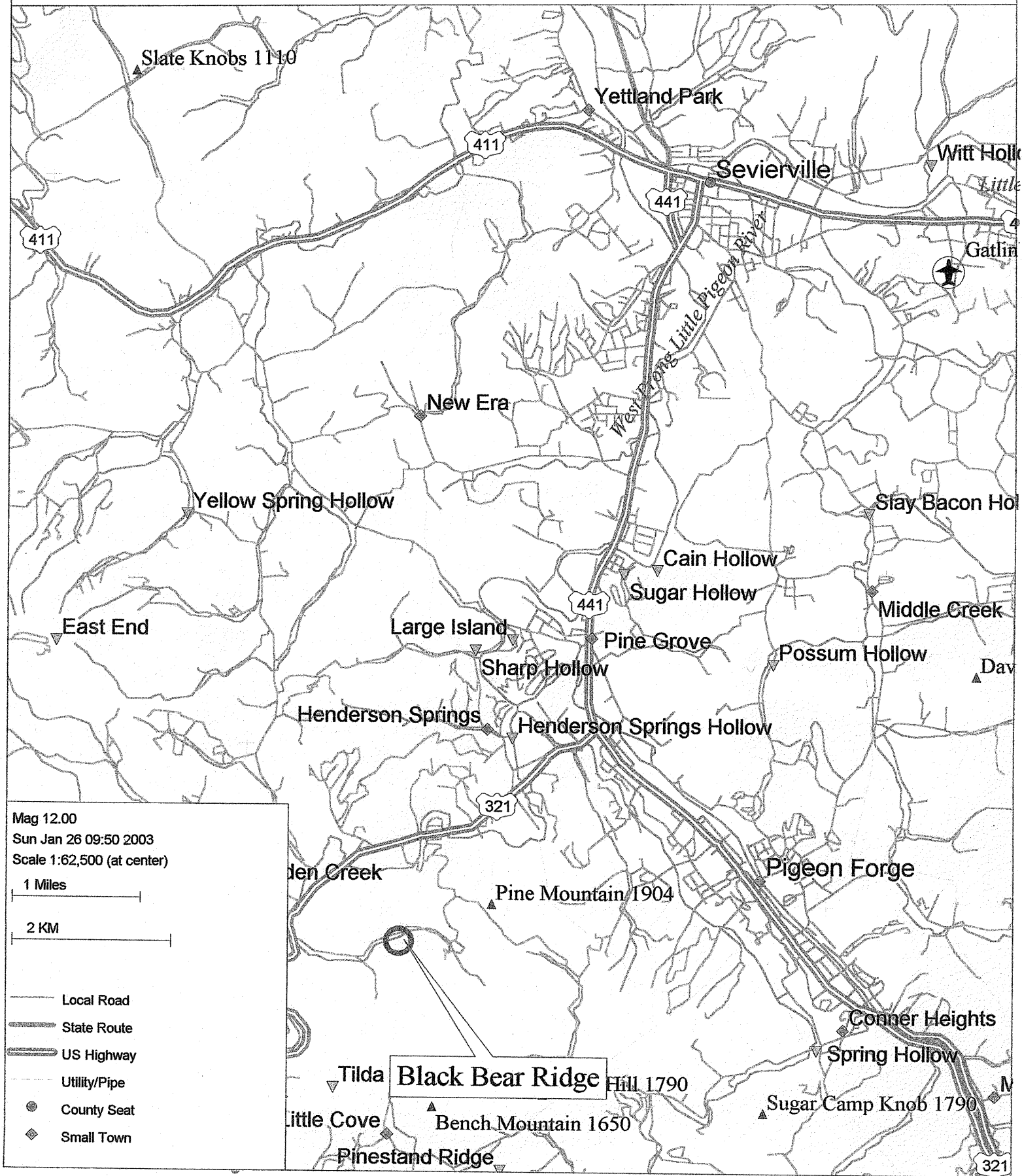
***Certificate of Public Convenience and Necessity for an Investor Owned Utility***

## **Section 2**

### **Location of Area to Be Served and Boundaries of Area Petitioned for CCN**

- 1 General Road Map Indicating the Geographic Location
- 2 Topographic Map Indicating Geomorphological Location
- 3 County Tax Map Illustrating the Precise Territory Boundary

# Black Bear Ridge - Sevier County



# Territory Location Map Black Bear Ridge Sevier County

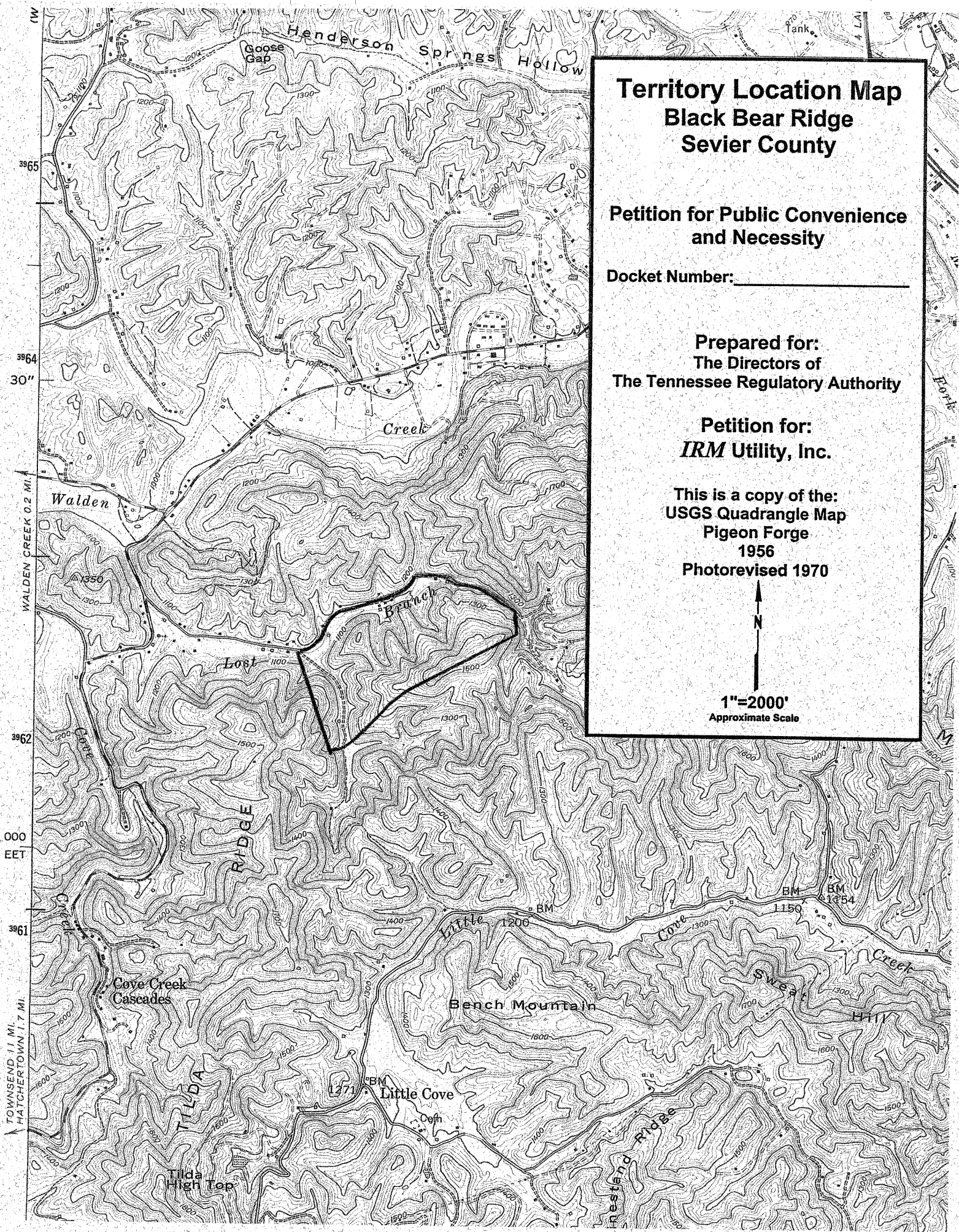
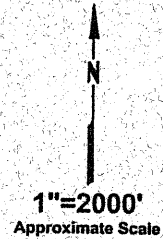
Petition for Public Convenience  
and Necessity

Docket Number: \_\_\_\_\_

Prepared for:  
The Directors of  
The Tennessee Regulatory Authority

Petition for:  
*IRM* Utility, Inc.

This is a copy of the:  
USGS Quadrangle Map  
Pigeon Forge  
1956  
Photorevised 1970



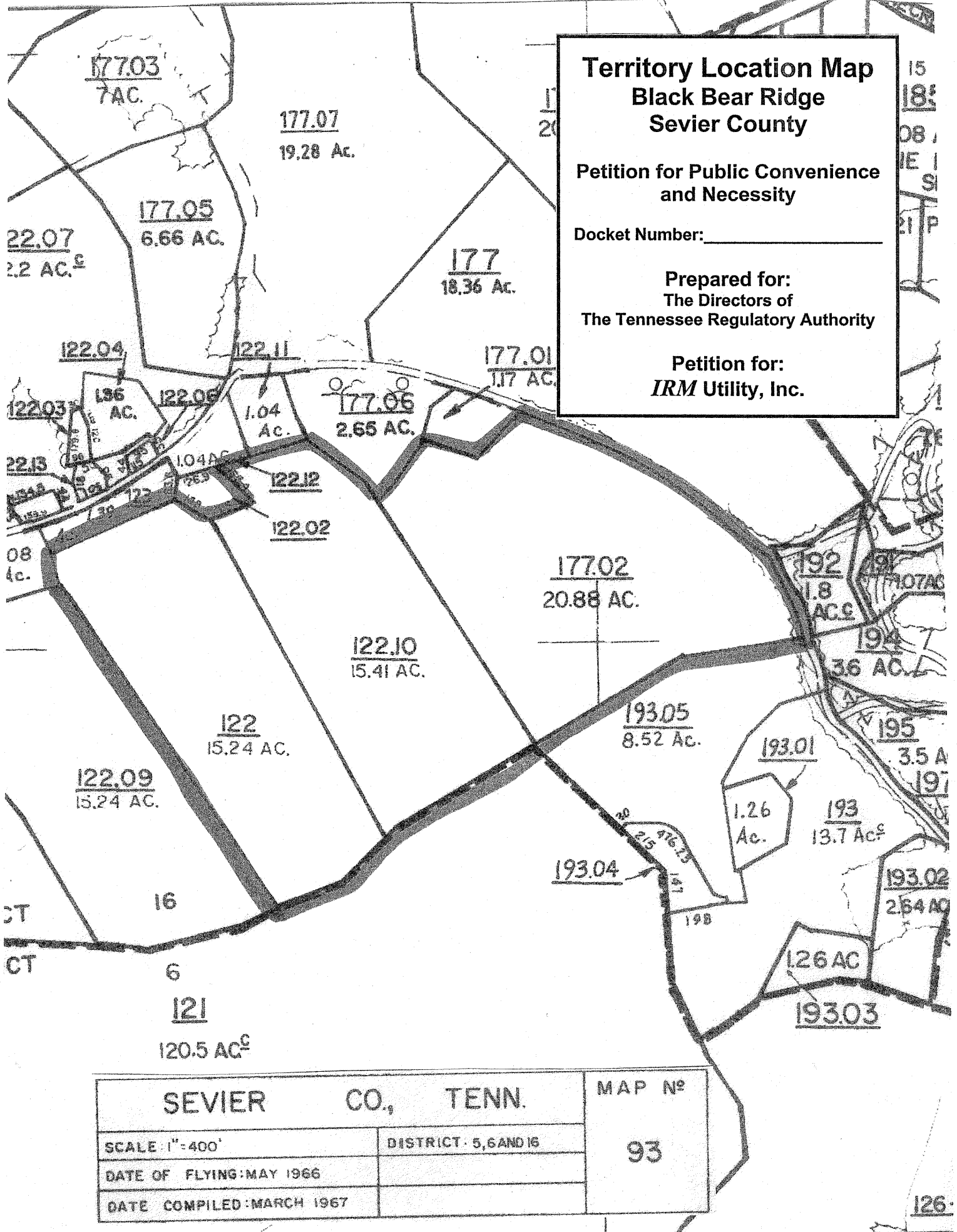
**Territory Location Map  
Black Bear Ridge  
Sevier County**

**Petition for Public Convenience  
and Necessity**

Docket Number: \_\_\_\_\_

**Prepared for:  
The Directors of  
The Tennessee Regulatory Authority**

**Petition for:  
IRM Utility, Inc.**







***Petition of a Wastewater Company, IRM Utility, Inc.***

*for a*

***Certificate of Public Convenience and Necessity for an Investor Owned Utility***

**Section 3-5**

**Franchise Information**

***IRM Utility, Inc. will not be required to exercise franchise options due to the fact that neither the City of Pigeon Forge nor Sevier County have formed franchises.***



***Petition of a Wastewater Company, IRM Utility, Inc.***

*for a*

***Certificate of Public Convenience and Necessity for an Investor Owned Utility***

## **Section 6**

### **Statement of Public Need**

Sustainable development is promulgated by beneficial reuse of resources utilized by the community. The reuse of wastewater resources is a beneficial reuse whether the reuse is on-site or off-site. Therefore, **IRM Utilities, Inc.** will describe the recycling as beneficial reuse.

**IRM Utilities, Inc.** is providing the management of beneficial reuse wastewater disposal options that are designed to recharge the groundwater with high quality treated effluents, in lieu of the direct channeling of water resources to streams, lake and rivers, and subsequently the oceans. The high quality effluents will be a product of established and approved biological treatment systems. The systems are approved and regulated by the Tennessee Department of Environment and Conservation.

**IRM Utilities, Inc.** is developing affordable disposal options for small rural communities that would not be able to afford more conventional means of disposal while at the same time, reusing or recycling water as a beneficial resource.

Below is a group of individuals that are in public service and /or are developers and potential customers for **IRM Utilities, Inc.**:

<u>Individual</u>	<u>Title</u>	<u>Job Description</u>
Jamie Hagood	State Representative	Public Service
Mike Blazer	Director, Sevier County Health Department	Public Service
Lee Gamble	Owner, Development Services	Developer
Don Bunch	Owner, Don Bunch Investments, Inc.	Developer
Robert Seay	Owner, Seay's Country Store	Mercantilist
Joe Harrell	Developer of Cedar Harbor Subdivision	Developer



JAMIE HAGOOD  
REPRESENTATIVE  
17<sup>TH</sup> LEGISLATIVE DISTRICT

202-A WAR MEMORIAL BUILDING  
NASHVILLE, TENNESSEE 37243  
(615) 741-1648  
1-800-449-8366 Ext. 11648  
FAX (615) 532-8221

## House of Representatives State of Tennessee

NASHVILLE

MEMBERS OF COMMITTEES  
COMMERCE  
EDUCATION

REPUBLICAN FLOOR LEADER

E-MAIL:  
rep.jamie.hagood@legislature.state.tn.us

January 30, 2003

Board of Directors  
Tennessee Regulatory Authority  
460 James Robertson Parkway  
Nashville, TN 37243-0505

Re: Certificate of Public Convenience and Necessity

Dear Sirs/Madams:

I would like to take this opportunity to express my support of Mr. Jeffrey W. Cox, Sr., Executive Technical Director of IRM Utility, Inc. in his petition of Public Convenience and Necessity from the Tennessee Regulatory Authority and the Board of Directors in order to service as a utility company. Integrated Resource Management Utility, Inc. of White Pine, Tennessee, is proposing to install onsite wastewater treatment in Sevier County in areas where municipal or county sewers are not available.

In all my dealings with Mr. Cox, I have found him to be thoughtful, diligent, well prepared and thorough. He has a very strong work ethic and completes tasks in a very professional manner. Please use this information as a personal reference for Mr. Cox and contact me for further information if necessary.

I respectfully request your utmost consideration of this request. As this matter is of great importance to the community impacted, I know that you are aware that time is of the essence regarding this petition.

Thank you for your time. Please feel free to contact me if I may be helpful.

Sincerely,

Jamie Hagood

pf



**SEVIER COUNTY  
HEALTH DEPT.**

**MIKE BLAZER**

Director of  
Environmental Health

Post Office Box 4648  
227 Cedar Street  
Sevierville, Tennessee 37864  
Office (865) 429-1766  
Fax: (865) 429-1965

January 27, 2003

Board of Directors  
Tennessee Regulatory Authority  
460 James Robertson Parkway  
Nashville, Tennessee 37243-0505

RE: Certificate of Public Convenience and Necessity

Dear Sirs/Madams:

Please be advised that Integrated Resource Management Utility, Inc. of White Pine, Tennessee is proposing to install onsite wastewater treatment in Sevier County in areas where municipal or County Sewers are not available. These areas are numerous due to the terrain, which makes gravity sewer installation difficult and expensive.

Jeffrey Cox and myself worked on the Environmental Health Staff at the Knox County Health Department beginning in 1985 and I have worked or had knowledge of his projects since that time. His work is completed in a professional manner and he has the knowledge to design and complete these types of sewage disposal systems. Please use this information as a personal reference for Mr. Cox and contact me for further information if necessary.

Mr. Cox has indicated that he would need to petition for a certificate of Public Convenience and Necessity from the Tennessee Regulatory Authority and Board of Directors in order to service us as a Utility Company. We would appreciate your help in granting this request.

Sincerely,

A handwritten signature in dark ink that reads "Mike Blazer". The signature is fluid and cursive, with the first name "Mike" being more prominent than the last name "Blazer".

Mike Blazer,  
Director of Environmental Health  
MB/bh



## DEVELOPMENT SERVICES

LEE T. GAMBLE

January 16, 2003

Board of Directors  
Tennessee Regulatory Authority  
460 James Robertson Parkway  
Nashville, TN 37243-0505

RE: Certificate of Public Convenience and Necessity

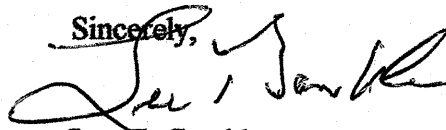
Dear Sirs/Madams:

I am developing Wild Pear Shores Subdivision in Dandridge, Tennessee. We are in the process of installing the first phase of a large subsurface sewage system that will ultimately serve 33 lots. This system has been approved by TDEC under the premise that it would be operated by a property owner's association. The purpose of this letter is to serve as a letter of intent for our system to be managed and operated by a privately owned, public utility company, IRM Utility, Inc. and to serve as a personal reference for Mr. Jeffrey Cox and his company.

Mr. Cox, owner of Environmental Soil Consulting and Integrated Resource Management has worked with me to prepare the necessary permitting requirements for many aspects of the development. He has done an excellent job and I regard him as a most competent professional in this field. I am, therefore, requesting Integrated Resource Management, Inc. (IRM Utility, Inc.) of White Pine, Tennessee operate our system as a privately owned public utility company.

Mr. Cox has indicated IRM, Inc. would need to petition for a Certificate of Public Convenience and Necessity from the Tennessee Regulatory Authority and the Board of Directors in order to serve as a utility company. I understand that IRM, Inc. is making such a petition and would highly recommend Mr. Cox and his company. I appreciate your help in expediting this request.

Sincerely,



Lee T. Gamble

118 Court Avenue, Suite 2, Sevierville, TN. 37862  
Telephone 865/429-0308 Fax 865/429-0079



DON BUNCH  
INVESTMENTS, INC.

305 Terminal Drive  
P.O. Box 671  
Morristown, TN 37815  
Phone: (423) 581-2320  
Fax: (423) 587-6905

Board of Directors  
Tennessee Regulatory Authority  
460 James Robertson Parkway  
Nashville, TN 37243-0505

RE: Certificate of Public Convenience and Necessity,

Dear Sirs/Madams,

I am developing a subdivision of over 150 homes in Hamblen County. We will be employing a recalcitrating sand filter or similar system with a central collection system for our wastewater treatment. This will be the first system of its kind that we will be utilizing for any of our developments. The purpose of this letter is to be a letter of intent for our system to be operated by IRM Utility, Inc. and to serve as a personal reference for Jeffery Cox and his company.

Mr. Jeffery Cox of Environmental Soil Consulting has been working with us for over twelve years in developing over 1000 lots utilizing subsurface sewage disposal. He has prepared necessary permitting requirements for many aspects of my developments. He has done an excellent job and we are requesting that IRM Utility, Inc. of White Pine, Tennessee operate our system as a privately owned utility company in the near future.

We understand that IRM Utility, Inc. is petitioning for a Certificate of Public Convenience and Necessity with Utility status and would appreciate your help in granting this request.

Thank You.

Sincerely,

A handwritten signature in dark ink, appearing to be 'W. Bunch', written over the word 'Sincerely,'.

*Seay's Country Store*

785 Highway 107, South  
Del Rio, Tennessee 37727

January 20, 2003

Board of Directors  
Tennessee Regulatory Authority  
460 James Robertson Parkway  
Nashville, TN 37243-0505

Re: Certificate of Public Convenience Necessity

Dear Sir(s) or Madam(s):

I own and operate Seay's Country Store in Del Rio, Tennessee. Mr. Jeffery Cox of Environmental Soil Consulting and Integrated Resource Management has recently prepared mandatory permit requirements for a wastewater system at my business. Mr. Cox has done an excellent job and I am very confident of his abilities. I am requesting that Integrated Resource Management Utility Inc. of White Pine, Tennessee operate my system as a privately owned public utility company in the near future.

Mr. Cox has informed me that in order to service my business as a utility company it would be necessary for IRM Utility, Inc. to petition for a Certificate of Public Convenience and Necessity from the Tennessee Regulatory Authority and Board of Directors.

I would like to request that IRM, Utility, Inc. be able to operate the system at Seay's Country Store. I understand IRM Utility, Inc. has plans to petition for a Certificate of Public Convenience and Necessity with utility status. I would greatly appreciate your help in granting this request. Thank you in advance for your consideration regarding this matter.

Sincerely,



Kenneth Robert Seay  
Owner  
Seay's Country Store

January 9, 2003

Board of Directors  
Tennessee Regulatory Authority  
460 James Robertson Parkway  
Nashville, Tennessee 37243-0505

RE: Certificate of Public Convenience and Necessity

Dear Sirs/Madams,

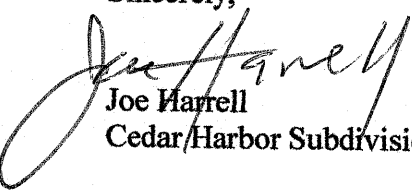
I have developed Cedar harbor Subdivision in Talbott, Tennessee. We constructed a large subsurface sewage disposal system service 30 lots. This system has been approved by the Tennessee Department of Environment and Conservation under the premise that a property owners association would operate it. The purpose of this correspondence is to act as a letter of intent for our system to be operated by IRM Utility, Inc. and to serve as a personal reference for Jeffrey Cox and IRM Utility, Inc.

Mr. Jeffrey Cox of Environmental Soil Consulting and Integrated Resource Management worked with me to prepare necessary permitting requirements for many aspects of the development. He has done an excellent job and we are requesting the Integrated Resource Management, Inc. (IRM Utility, Inc.) of White Pine, Tennessee operate our system as a privately owned utility company in the near future.

Mr. Cox has indicated IRM, Inc. would need to petition for a Certificate of Public Convenience and Necessity from the Tennessee Regulatory Authority and the Board of Directors in order to service us as a utility company. We understand that IRM, Inc. is petitioning for a Certificate of Public Convenience and Necessity with Utility status and would appreciate your help in granting this request.

Thank you.

Sincerely,



Joe Harrell  
Cedar/Harbor Subdivision





***Petition of a Wastewater Company, IRM Utility, Inc.***

*for a*

***Certificate of Public Convenience and Necessity for an Investor Owned Utility***

**Section 7**

**Statement from Public Entities that Sewer is Not Available**

The City of Pigeon Forge and the government of Sevier County have been requested for sewer service. These two entities have indicated that sewer service is not available. Following are the letters indicating such.

Pigeon Forge  
Sevier County

Erlene M. Teaster  
Ken L. Maples

City Manager  
Assistant County Executive



RECEIVED  
DEC 27 2002

BY:.....

December 24, 2002

Mr. James E. Barnes, PE  
Norvell & Poe, Engineers LLC  
635 Wall Street, Suite 2  
Sevierville, Tennessee 37862

Dear Mr. Barnes:

Thank you for your letter of December 17, 2002 inquiring about sewer to Black Bear Ridge in the Lost Branch Road area.

This letter serves to advise that the City of Pigeon Forge has no plans to extend City sewer into this area outside the City limits.

If I can answer further questions, please let me know.

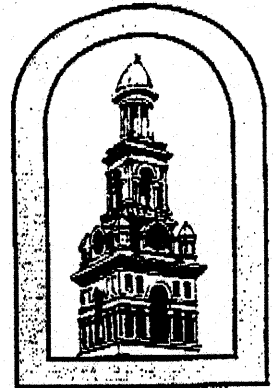
Sincerely,

CITY OF PIGEON FORGE

Earlene M. Teaster  
City Manager

EMT:sg

xc: Mark Miller, Director of Public Works



SEVIER COUNTY

LARRY WATERS  
County Executive

Room 201E  
125 Court Avenue  
Sevier County Court House  
Sevierville, Tennessee 37862  
Office: (865) 453-8136  
Home: (865) 436-4796  
FAX: (865) 453-6830

January 17, 2003

Mr. James E Barnes, PE  
Norvell & Poe, Engineers, LLC  
635 Wall Street, Suite 2  
Sevierville, TN 37862

RE: Sanitary Sewer Service for Black Bear Ridge

Dear Mr. Barnes:

As per your request concerning sanitary sewer service for Black Bear Ridge, Sevier County, TN does not intend to provide sewer service for this area at this time.

Thank you for your time and interest in Sevier County.

Sincerely,

A handwritten signature in black ink, appearing to read "Ken L. Maples", is written over the typed name.

Ken L. Maples  
Asst. County Executive



***Petition of a Wastewater Company, IRM Utility, Inc.***

*for a*

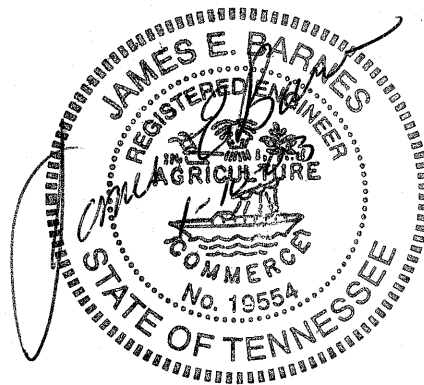
***Certificate of Public Convenience and Necessity for an Investor Owned Utility***

**Section 8**

**Municipality Affected**

The City of Pigeon Forge and the government of Sevier County do not have any Sanitary Sewer Lines that would be affected by this service.

**ENGINEERING REPORT**  
**ON-SITE WASTEWATER TREATMENT AND**  
**DISPOSAL SYSTEM**  
**for**  
**BLACK BEAR RIDGE**  
**SEVIER COUNTY, TENNESSEE**



**NORVELL & POE, ENGINEERS, LLC**  
**635 WALL STREET, SUITE 2**  
**SEVIERVILLE, TENNESSEE 37862**  
**PHONE (865) 429 4683**  
**FAX (865) 429 4684**  
**EMAIL – [email@norvellpoe.com](mailto:email@norvellpoe.com)**  
**PROJECT NUMBER 02-0803**



## **CONTENTS**

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PROPOSED SEWER SERVICE.....	2
PRELIMINARY DESIGN CALCULATIONS.....	3

## **FIGURES**

FIGURE 1.....	LOCATION MAP
FIGURE 2.....	400 GPD UNIT
FIGURE 3.....	650 GPD UNIT

## **TABLES**

TABLE 1.....	NITROGEN LOADING
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## **PURPOSE**

Mr. Jeff Whaley proposes to develop a 51.42-acre tract of land on Lost Branch Road west of the City of Pigeon Forge. This site is located outside the City of Pigeon Forge's corporate limits but within the City's planning region. The development is to consist of approximately 150 cabin units with an average of two bedrooms per unit. The purpose of this report is to review the proposed sewer service to the area and make recommendations on treating and disposing of sewerage. The location of the proposed project is shown in Figure 1.

## **EXISTING SEWER SERVICE**

There is no publicly owned sewer service available along Lost Branch Road. The closest public sewer system is the City of Pigeon Forge, which has service at the intersection of Wears Valley Road and Waldens Creek Road. This service is located almost one mile from the proposed development.

## **ALTERNATIVES**

Alternative considered for providing service to the development include conventional septic tanks and field lines, public sewers, On site waste water treatment plant and discharge, and an on site waste water treatment plant with on site disposal.

Topography of the area and the required density of the development make the use of a conventional septic tank and field line system unsuitable for the project. The City of Pigeon Forge historically will not provide sewer service beyond their corporate limit thus eliminating that alternate from consideration. The proposed site is located on the side of the ridge. There is no stream in the proximity of the development which could assimilate discharge from a waste water treatment plant. The only remaining alternate is to treat and dispose of the sewerage on site.

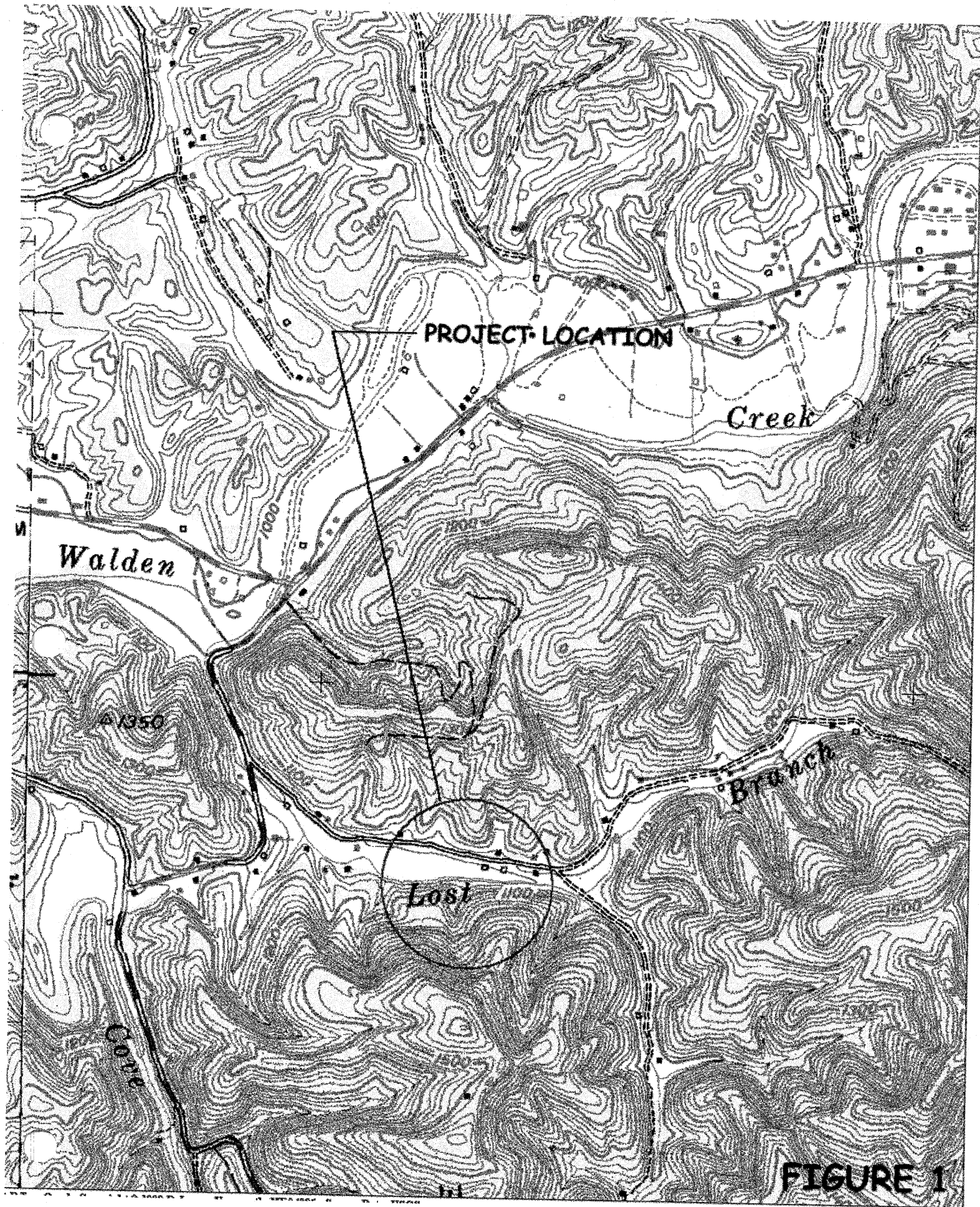


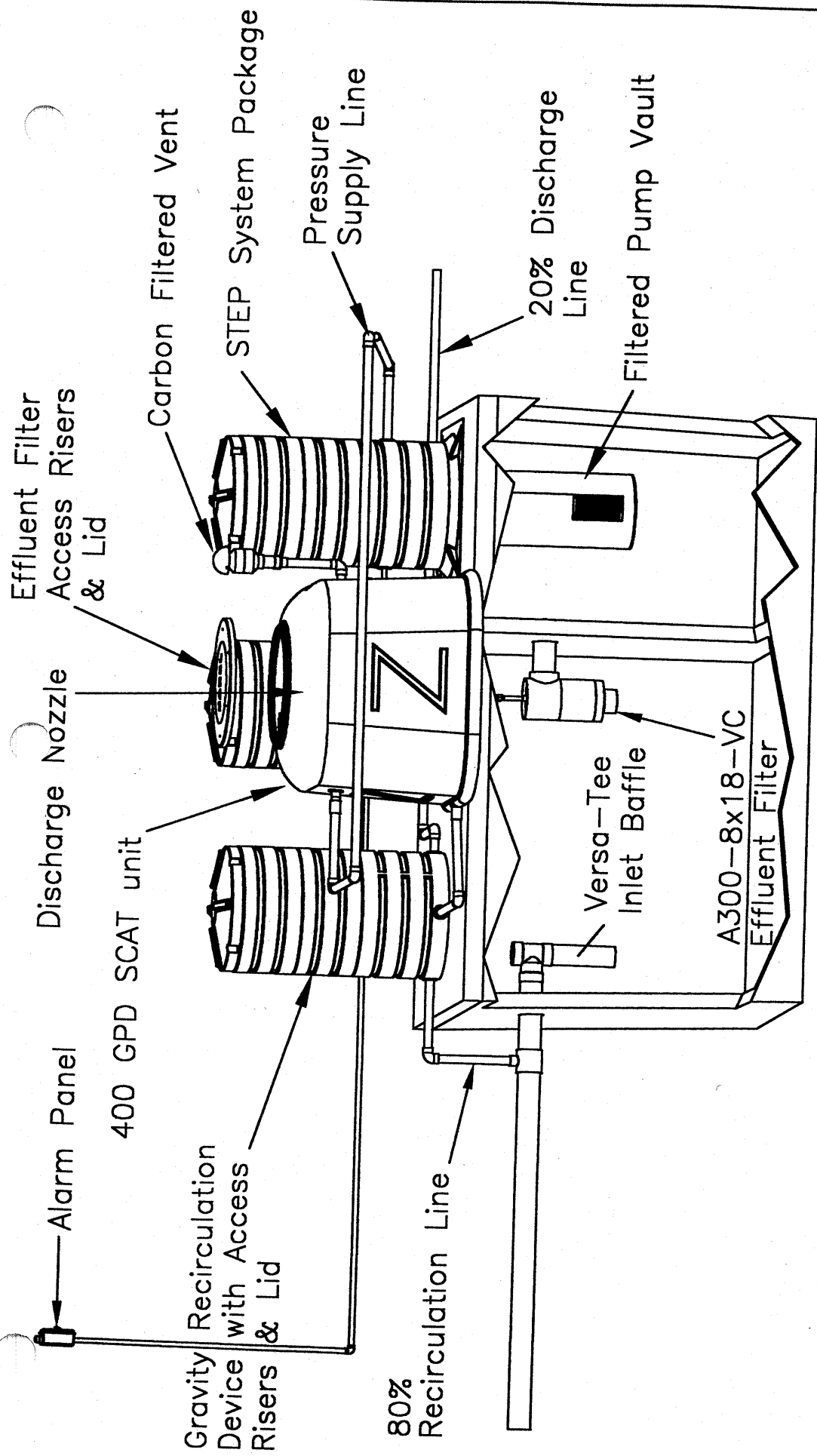
FIGURE 1

## PROPOSED SEWER SERVICE

The sewer treatment system will utilize a 1000-gallon watertight septic tank with a screened effluent pump. The screened effluent will be pumped to a pre-engineered synthetic open-cell foam media filter located at the septic tank. Further treatment of the waste stream occurs when the septic effluent is sprayed over the foam media where it slowly percolates downward. As the effluent passes around and through the media, it contacts colonies of aerobic organisms and the degradation of the wastewater strength occurs. These filter units will be sized to treat up to 400 gallons per day on installations serving a single cabin and 650 gallons per day on units serving two cabins. This is a maximum loading rate of 12.5 gallons per day per cubic foot of media. An activated carbon filter will be utilized to control odors around each unit. The septic tank effluent pump operation will be controlled by a timer calibrated to the size of the filter unit. All septic tanks and pump systems will be equipped with high level alarm, low level alarm with low pump suction cut-out, and anti siphoning device. The effluent BOD from these units is expected to average 12 mg/L, TSS is expected to be 9 mg/L, and the total nitrogen is expected to be 17 mg/L.

Filtered effluent will be piped from the filter to an effluent pump vault located adjacent to the septic tank and filter system. This effluent will then be screened and pumped into the sewer collection system within the development to the dosing pump station. From the dosing pump station the effluent will be pumped through an ultraviolet disinfection system and disk filter to the drip field.

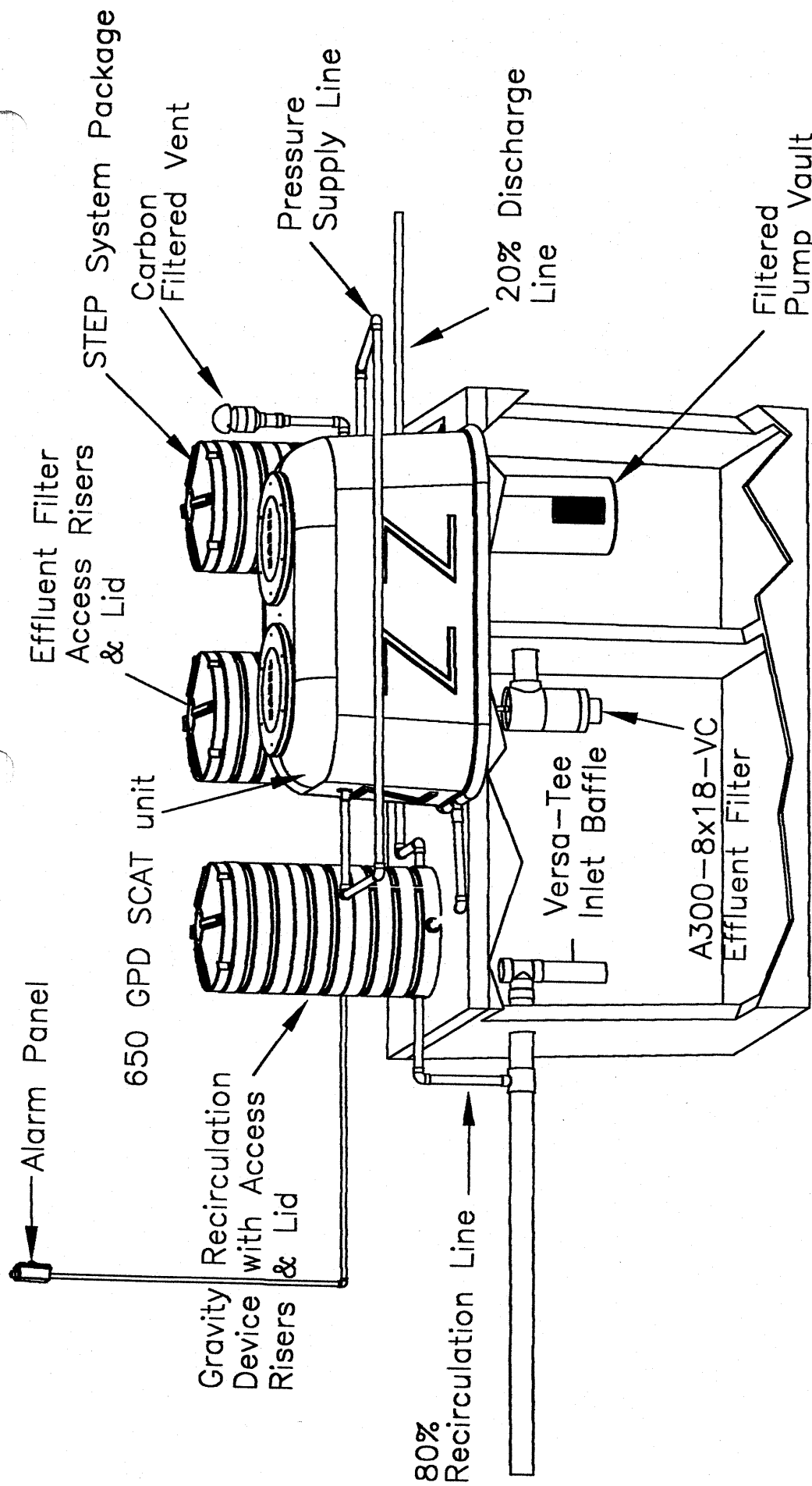
The size of the drip irrigation field is based on an application rate of two inches of treated sewerage per week. This is the equivalent of a percolation rate of 504 minutes per inch. An ultra-high intensity soils map will be furnished under separate cover. The drip field will be constructed using pressure compensating emitters in the dripper line to insure an even distribution of waste over the drip field. The drip system will be equipped with the necessary appurtenances for flushing, drainage and recirculation. Emitters are spaced at 2-foot intervals on the drip line and are spaced five feet apart. The flow rate is 0.61



ZABEL ENVIRONMENTAL TECHNOLOGY  
ATS-SCAT-400 TYPICAL INSTALLATION

FIGURE 2  
400 GPD UNIT





ZABEL ENVIRONMENTAL TECHNOLOGY  
ATS-SCAT-650 TYPICAL INSTALLATION

FIGURE 3  
650 GPD UNIT

gallons per hour per emitter. A dosing valve will sequentially dose each of the fields at the appropriate rate. A pump timer at the effluent pump station will control the volume of liquid pumped to each field. A back up float switch is also provided to prevent over feeding the fields and pump cavitations.

## PRELIMINARY DESIGN CALCULATIONS

Historical records of water consumption from similar developments in the area obtained from the City of Pigeon Forge indicate that the average consumption is approximately 200 gallons per day per unit. For design purposes a flow rate of 250 gallons per day is utilized. The design flow rate of the system is calculated as follows:

$$150\text{units} \times 250\text{gallons/day/unit} = 37500 \text{ gallons/day}$$

The hydraulic loading rate of two inches per week of treated sewerage is the equivalent of 5.6148 square feet per gallon per day of treated sewerage.

$$37500 \text{ gallons/day} \times 5.6148 \text{ sq feet/gallons/day} = 210,556 \text{ square feet or } 4.84 \text{ acres of drip field required}$$

The nitrogen uptake for the type of forest in the project area is approximately 300 lbs/year. This is taken from the Process Design Manual for Land Treatment of Municipal Wastewater as published by the EPA. Based on the methodology shown in Chapter 16 of the Tennessee Department of Environment and Conservation's Standards for sewer treatment and disposal and an assumed nitrogen loading rate of 25 mg/L, the minimum amount of wastewater that can be applied to the site is 2.34 inches. This is less than the dosing rate proposed for the drip irrigation system. This occurs in the month of January. No allowances for the reduction in strength due to storm water runoff are shown in the calculations. A summary of the nitrogen loading is shown in Table 1

# ALLOWABLE NITROGEN LOADING

## BLACK BEAR RIDGE

MONTH	Pr	PET	u %/Mo	u lbs/ac/mo	f %/Mo	Lwn in/mo	Lwn in/week
JAN	7.62	0.10	1	3	25	10.11	2.34
FEB	6.72	0.27	2	6	25	10.41	2.40
MAR	8.85	0.97	4	12	25	15.07	3.48
APR	6.59	2.30	8	24	25	17.04	3.93
MAY	6.13	3.59	12	36	25	21.10	4.87
JUNE	5.52	4.90	15	45	25	23.46	5.42
JULY	6.85	5.44	17	51	25	27.40	6.33
AUG	4.73	5.00	15	45	25	22.44	5.18
SEPT	5.54	3.79	12	36	25	20.20	4.67
OCT	4.47	1.98	8	24	25	14.98	3.46
NOV	6.11	0.82	4	12	25	12.11	2.80
DEC	7.55	0.27	2	6	25	11.35	2.62

TABLE 1



**IRM Utility, Inc Financial Statement**

Date Prepared 1/22/03

**Assets**

Cash (checking) accounts	\$6,936.09
Cash (savings) accounts	
Notes (Irrevocable Letter of Credit)	\$150,000.00
Certificates of deposit	\$45,125.10
Life insurance (cash value)	
Securities (stocks, bonds)	
Real estate (market value)	
Vehicles (market value)	\$15,400.00
Individual retirement plans, etc.	
Other assets (Office, Computers etc.)	\$5,245.00

**Total Assets** \$222,706.19

**Liabilities (Fixed)**

Current bills	\$506.02
Attorney	\$734.00
Copy Machine Service	\$200.00

Other

**Total Liabilities** \$1,440.02

**Net Worth** \$221,266.17

By: Jeffrey W. Cox, Sr., President





P.O. BOX 5288  
SEVIERVILLE, TN 37864-5288  
SEVIER (865) 453-6101  
KNOX (865) 546-3542

TO:

Integrated Resource Management Utilities, Inc.  
P. O. Box 642  
3444 St. Andrews Drive  
White Pine, TN 37890

FOR THE ACCOUNT OF:

Black Bear Ridge Properties, LLC

DATE: January 15, 2003

EXPIRATION DATE: January 15, 2004

NON-TRANSFERABLE

LETTER OF CREDIT NO: 3-03-01-1501

Gentlemen:

We hereby establish our Irrevocable Letter of Credit No. 3-03-01-1501 in your favor, for the account of Black Bear Ridge Properties, LLC, up to an aggregate amount of \$150,000.00 available by your sight drafts drawn on us.

All drafts so drawn must be marked "Drawn Under Letter of Credit No. 3-03-01-1501, and must be accompanied by the documents specified in this credit and the original of this credit..

The draft, when presented for negotiation, must be accompanied by an affidavit from Integrated Resource Management Utilities, Inc., stating that Black Bear Ridge Properties, LLC has failed to fully and timely perform its obligation under that certain Sewer Contract for Subdivision between Black Bear Ridge Properties, LLC and IRM Utilities, Inc. dated the 17<sup>th</sup> day of December, 2002.

We engage with you that all drafts drawn under and in compliance with the terms of this credit will be duly honored if presented at this office on or before January 15, 2004, as hereinbefore set forth. We confirm credit, and hereby undertake that all drafts drawn and presented will be duly honored by us.

Except as otherwise expressly stated, this credit is subject to the "Uniform Customs and Practice for Documentary Credit of the International Chamber of Commerce Brochure No. 400", and shall be construed in accordance with the laws of the State of Tennessee.

Sincerely,

SEVIER COUNTY BANK

BY:

A handwritten signature in cursive script, appearing to read 'Chuck Atchley'.

Chuck Atchley  
Executive Vice President



**NORVELL and POE, ENGINEERS LLC**  
REGISTERED ENGINEERS AND LAND SURVEYORS  
**635 Wall Street, Suite 2**  
**Sevierville, Tennessee 37862**  
Phone (865) 429-4683  
FAX (865) 429-4684  
Email: [nopo@netgrp.net](mailto:nopo@netgrp.net)

**FAX TRANSMITTAL**

**Date:** January 9, 2003  
**To:** Jeff Whaley - 908-6491  
**From:** James E. Barnes

**Project Name:** Black Bear Ridge  
**N&P Project No.:** 02-0803

(X) Enclosed ( ) Under separate cover, the following:

Copies	Drawing No.	Description
1		Black Bear Ridge Estimated Construction Costs for On-site Sanitary Sewer Treatment and Disposal System

These are transmitted as checked below:

( ) for approval ( ) approved as submitted ( ) as requested  
(X) for your information ( ) approved as noted ( ) see remarks  
( ) for review & comment ( ) returned for corrections

**Remarks:** Originals will follow by mail.

**Copy to:** Jeff Cox - 674-2352  
File 02-0803

**Signed**

**Name:** James E. Barnes

**Title:** Professional Engineer

# **BLACK BEAR RIDGE ESTIMATED CONSTRUCTION COSTS**

**PROJECT**

ON-SITE SANITARY SEWER TREATMENT AND DISPOSAL SYSTEM  
PIGEON FORGE TENNESSEE

DATE  
REVISED

DEC. 13, 2002  
JAN. 9, 2003

**JOB NO.**

02-0803

**ITEM NO.**

**DESCRIPTION**

**QUANTITY**

**UNIT**

**UNIT  
COST**

**COST**

1	2" SCH 40 PVC SEWER PIPE	6760	LF	\$4.00	\$27,040.00
2	4" SCH 40 PVC SEWER PIPE	710	LF	\$5.00	\$3,550.00
3	2" GATE VALVE & BOX, SEWER	15	EA	\$200.00	\$3,000.00
4	4" GATE VALVE & BOX, SEWER	1	EA	\$250.00	\$250.00
5	AIR VACUUM VALVE, COLLECTION	1	EA	\$650.00	\$650.00
6	DOSING TANK	1	EA	\$5,000.00	\$5,000.00
7	DOSING PUMP STATION	1	EA	\$20,000.00	\$20,000.00
8	U V BUILDING	1	LS	\$8,000.00	\$8,000.00
9	U V DISINFECTION UNIT	2	EA	\$7,900.00	\$15,800.00
10	DISK FILTER	1	EA	\$800.00	\$800.00
11	DOSING VALVE & BOX	1	EA	\$1,500.00	\$1,500.00
12	3" PLASTIC DOSING PIPE	7375	LF	\$2.00	\$14,750.00
13	3" ISOLATION VALVE & BOX	30	EA	\$150.00	\$4,500.00
14	2" AIR VACUUM VALVE/DRIP SYSTEM	8	EA	\$250.00	\$2,000.00
15	DRIPPER LINE	42120	LF	\$1.02	\$42,962.40

**TOTAL**

**\$149,802.40**

**ENGINEERING REPORT**  
**OPERATIONAL COSTS & PROJECTED CASH FLOW**  
**for**  
**INTEGRATED RESOURCE MANAGEMENT INC.**  
**BLACK BEAR RIDGE**  
**SEVIER COUNTY, TENNESSEE**

**NORVELL & POE, ENGINEERS, LLC**

**635 WALL STREET, SUITE 2**

**SEVIERVILLE, TENNESSEE 37862**

**PHONE (865) 429 4683**

**FAX (865) 429 4684**

**EMAIL – [email@norvellpoe.com](mailto:email@norvellpoe.com)**

**PROJECT NUMBER 03-0129**

## **PURPOSE**

Revised Feb 6, 2003

The purpose of this report is to review the operational costs and a cash flow for the operation and maintenance of an on site wastewater treatment and disposal system serving Black Bear Ridge.

## **THE DEVELOPMENT**

The development is to consist of a total of 200 units. A total of 50 units are to be completed and operational in the first year with an additional 50 units each year thereafter for the next two years and 25 units per year until build out. This report also reflects an additional 50 units, which were not addressed in the original report. These units are located on a second tract of land adjacent to the original development, which was acquired after the first report was written. There will not be any further expansion of the development. The developer is funding the construction of the system and has posted surety for the estimated construction cost to Integrated Resource Management Utility Inc, (IRM Utility Inc.), therefore there is no debt service included in the analysis.

## **PROJECTED REVENUE**

Two sources of revenue are proposed for the operation and maintenance of the system. A tap fee of \$1,500.00 will be accessed the property owner at the time service is connected. A review of tap fees for single family residential units from surrounding utilities indicate that this is in line with other tap fees charged in similar situations. The following is a summary of those tap fees.

Location	Inside City Limits		Outside City Limits	
	Water	Sewer	Water	Sewer
Pigeon Forge	\$750	\$750	\$1,500	NA
Sevierville	\$750	\$750	\$1,125	\$1,800
Gatlinburg	\$750	\$750		

These fees do not reflect any impact fees or other fees or deposits that may be charged at the time that service is requested. It should be noted that the City of Pigeon Forge will not provide sewer service beyond their corporate limits.

A monthly fee of \$35.00 regardless of the volume of flow is proposed for each unit being served. This fee includes all applicable taxes that must be charged. There are no commercial or industrial services within the development therefore no commercial rate is provided. A surcharge may be charged if monthly flows are unreasonably higher than typical flows for a 2-bedroom residence.

## **ESTIMATED EXPENSES**

Power costs are expected to be proportional to the volume of sewerage treated. For the purpose of evaluation, a flow of 250 gallons per day per unit was used. The pump utilized in the treatment system is a 5 horsepower pump. Pump efficiency was assumed at 50% and motor efficiency at 85%. The rate charged for power by Sevier County Electric Cooperative is \$0.06552 per KWH. The UV disinfection unit, heater and exhaust fan are expected to consume the same amount of power as the pumps. The cost of pumping from each individual unit is to be paid by the homeowner. Water service to the treatment facility is assumed to be \$35.00 per month or \$420.00 per year.

System maintenance costs are considered to be flow proportional with an annual cost of approximately \$205 per customer. Maintenance time is considered to be the costs associated with the regularly scheduled items associated with the operation of the system.



The number of service calls received per month is expected to be 0.5% of the total number of services per month at start up and increase to 2% of the total number of taps at year 4. The estimated cost per service call is expected to be \$150.00.

IRM Utility Inc. proposes to rebate 48% of the tap fees received to the developer. This and other expenses associated with the operation of the utility are shown in the Project Cash Flow chart.

**PROJECTED CASH FLOW  
INTEGRATED RESOURCE MANAGEMENT, INC.  
FOR  
BLACK BEAR RIDGE**

**ANTICIPATED REVENUE**

ITEM	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5	YEAR 6	YEAR 7
TAP FEES	\$ 75,000.00	\$ 75,000.00	\$ 75,000.00	\$ 37,500.00	\$ 37,500.00	\$ -	\$ -
REVENUE	\$ 21,000.00	\$ 42,000.00	\$ 63,000.00	\$ 73,500.00	\$ 84,000.00	\$ 84,000.00	\$ 84,000.00
TOTALS	\$ 96,000.00	\$ 117,000.00	\$ 138,000.00	\$ 111,000.00	\$ 121,500.00	\$ 84,000.00	\$ 84,000.00

**EXPENSES**

UTILITIES	\$ 1,277.00	\$ 1,697.00	\$ 4,252.00	\$ 4,891.00	\$ 5,280.00	\$ 5,280.00	\$ 5,280.00
POSTAGE	\$ 330.00	\$ 670.00	\$ 1,000.00	\$ 1,100.00	\$ 1,100.00	\$ 1,100.00	\$ 1,100.00
SYSTEM MAINTENANCE	\$ 10,265.00	\$ 20,530.00	\$ 30,800.00	\$ 35,930.00	\$ 41,063.00	\$ 41,063.00	\$ 41,063.00
SERVICE CALLS	\$ 450.00	\$ 1,800.00	\$ 4,050.00	\$ 6,300.00	\$ 7,200.00	\$ 7,200.00	\$ 7,200.00
TESTING AND REPORTING	\$ 6,000.00	\$ 6,000.00	\$ 6,000.00	\$ 6,000.00	\$ 6,000.00	\$ 6,000.00	\$ 6,000.00
TAXES	\$ 1,840.00	\$ 3,675.00	\$ 5,512.00	\$ 6,431.00	\$ 7,350.00	\$ 7,350.00	\$ 7,350.00
PERMITTING	\$ 2,000.00	\$ 2,000.00	\$ 2,000.00	\$ 2,000.00	\$ 2,000.00	\$ 2,000.00	\$ 2,000.00
BAD DEBTS	\$ 210.00	\$ 420.00	\$ 630.00	\$ 735.00	\$ 840.00	\$ 840.00	\$ 840.00
DEPRECIATION	\$ -	\$ 3,000.00	\$ 3,000.00	\$ 3,000.00	\$ 3,000.00	\$ 3,000.00	\$ 3,000.00
TAP FEE REBATES	\$ 36,000.00	\$ 36,000.00	\$ 36,000.00	\$ 18,000.00	\$ 18,000.00	\$ -	\$ -
ADMINISTRATIVE	\$ 8,000.00	\$ 8,000.00	\$ 8,000.00	\$ 8,000.00	\$ 8,000.00	\$ 8,000.00	\$ 8,000.00
START UP	\$ 7,000.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
TAP INSPECTIONS	\$ 12,500.00	\$ 12,500.00	\$ 12,500.00	\$ 6,250.00	\$ 6,250.00	\$ -	\$ -
CONTINGENCIES	\$ 10,000.00	\$ 7,000.00	\$ 7,000.00	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00
TOTAL	\$ 95,872.00	\$ 103,292.00	\$ 120,744.00	\$ 99,637.00	\$ 107,083.00	\$ 82,833.00	\$ 82,833.00
BALANCE	\$ 128.00	\$ 13,708.00	\$ 17,256.00	\$ 11,363.00	\$ 14,417.00	\$ 1,167.00	\$ 1,167.00
CARRY OVER FROM PRIOR YEARS	\$ -	\$ 128.00	\$ 13,836.00	\$ 31,092.00	\$ 42,455.00	\$ 56,872.00	\$ 58,039.00
TOTALS	\$ 128.00	\$ 13,836.00	\$ 31,092.00	\$ 42,455.00	\$ 56,872.00	\$ 58,039.00	\$ 59,206.00



***Petition of a Wastewater Company, IRM Utility, Inc.***

*for a*

***Certificate of Public Convenience and Necessity for an Investor Owned Utility***

**Section 13**

**Projected Customer Growth**

The projected customer growth was indicated in the Engineering Report in Section 12 for this project. This growth will not be required for the success of the operation of the system. Each treatment system will be at each cabin and the maintenance is affected in a linear fashion. The drip field will also be affected in a linear manner, therefore if build out takes a longer period of time the operation of the system will be successful.

The owners of Black Bear Ridge Properties, L.L.C. have 15 acres in the final phases of the development. This acreage is included in the territory maps. The actual density of the development will be determined in the final engineering stages.

At this time this is the only property proposed for this Certificate of Public Convenience and Necessity (CCN). Any additional customers will be added as addendums to this CCN. In Section 6, the Statement of Public Need, **IRM Utility, Inc.** has included a few letters of intent from clients desiring our services. These letters are listed below:

Lee Gamble	Owner, Development Services	Developer
Don Bunch	Owner, Don Bunch Investments, Inc.	Developer
Robert Seay	Owner, Seay's Country Store	Mercantilist
Joe Harrell	Developer of Cedar Harbor Subdivision	Developer

These lots represent over 200 additional lots. Based on the enquiries we have had in the last few months, it would not be reckless to say **IRM Utility, Inc.** could have had an additional 500 lots on our program if the CCN was already in place.

The principals of the company are experienced self employed individuals. They will be able to sustain their self employment as the company grows and the client base and customers expand.



***Petition of a Wastewater Company, IRM Utility, Inc.***

*for a*

***Certificate of Public Convenience and Necessity for an Investor Owned Utility***

**Section 14**

**Proposed Financing**

There is no additional financing proposed for the project. The system to be operated by **IRM** Utility, Inc. will be installed at the developer's expense. A letter of credit has been issued in the name of **IRM** Utility, Inc. for surety that the system will be completed.

The developer has fifty lots presold. There are commitments to start construction immediately upon the acquisition of the CCN. It is practical to consider that the start-up will not be necessary until there are homes ready for service. The tap fees for the initial lots will fund the start-up of the system.

## RATE ESTMATES AND HOW THEY WERE DETERMINED

### Residential Sewer Rate For Black Bear Ridge Sevier County

#### System Expenses

	Escrow Acct.	
Collection System Maintenance and Operation	\$ 2.22	\$8.25
Operator Management Fee		\$1.52
Drip Field and Related Disposal System	\$0.65	\$1.67
Treatment System Costs	\$4.23	\$4.23
Preventive Maintenance	\$1.03	\$1.03
Miscellaneous & Contingencies		<u>\$1.70</u>
Subtotal	\$8.13	\$18.40

#### Administrative Expenses

Billing and Collection Costs		\$1.95
Monitoring & Analytical Costs – As Required by Permit (TDEC)		\$6.35
Bonding Cost (For Next Project)	\$1.60	\$1.60
Corporate Management		\$1.90
Professional Services (Accounting, Legal, etc.)		<u>\$0.65</u>
Subtotal	\$1.60	\$12.45

#### Taxes & Fees

Electricity-Utilities		\$0.20
Franchise – Excise Taxes – Utility Company		\$1.02
Federal Taxes		\$1.24
Public Utility Ad Valorum Tax		\$1.05
State of Tennessee Department of Environment Annual Fee		<u>\$0.59</u>
Subtotal		\$4.10

<b>Total</b>	<b>\$9.73</b>	<b>\$34.95</b>
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# Tariff

## *IRM* Utility, Inc.

The statement of "Rules and Regulations" to be followed in providing consistent wastewater treatment service as a public utility for the customers of *IRM* Utility, Inc.

### Statement of Purpose:

1. To institute measures and procedures for serving the customers of *IRM* Utility, Inc. on a uniform basis by:
  - a. The Definition of Terms
  - b. The Authorization of Rules
  - c. Identifying the Service
  - d. Establishing Property Easements
  - e. Establishing Discontinuance of Service Policies
  - f. Stating Non-payment Penalties
  - g. Establishing Returned Check Policy
  - h. Establishing Policy for Changes of Property Owners or Tenants
  - i. Establishing Policy for Security Deposits
  - j. Establishing Sewer Access Fees
2. To provide standards and procedures for:
  - a. Establishing sewage characteristics acceptable for the treatment systems.
  - b. Establishing the criteria for a system free of "inflow and infiltration" (I & I).
  - c. Required design standards.
  - d. Construction and materials standards.
  - e. Inspection requirements.
  - f. Operations standards.
  - g. Quality of materials

### Definition of Terms:

1. Collector Line – Shall mean the line from the service line to the main line.
2. Customer – Shall mean any person, firm, corporation, association, company, or government unit furnished sewage services by *IRM* Utility, Inc.
3. Main Line – Shall mean the line from the collector line to the treatment facility.



4. Operator – Shall mean the Licensed Wastewater Operator and/or consulting engineer of *IRM* Utility, Inc. or design engineer.
5. Property – Shall mean all facilities owned and/or operated by the company.
6. Pumping Station – Shall mean a tank containing pump(s) and receives effluent from a STEG/STEP tank and/or collector lines.
7. Service – Shall mean the acceptance of wastewater from the customer.
8. Service Line – Shall mean the line from the STEP/STEG tank to the collector line.
9. STEG tank – Shall mean any tank located near a building containing an effluent filter for the purposes of accepting sewage waste.
10. STEP tank – Shall mean any tank located near a building containing a pump vault for the purposes of accepting sewage waste.
11. Stub-out line – Shall mean the line that carries the sewage waste from the building to the STEP/STEG tank.
12. TRA – Shall mean Tennessee Regulatory Authority.

### **Authorization of Rules and Regulations**

*IRM* Utility, Inc. is a corporation in good standing with the State of Tennessee and is organized as a privately owned public utility. *IRM* Utility will operate under the auspices of a Certification of Convenience and Necessity issued by the Tennessee Regulatory Authority on \_\_\_\_\_, 2003, under Docket No. \_\_\_\_\_. *IRM* Utility, Inc. submits the following statement of its rules and regulations in compliance with Rule 602.2.

### **Effect of Rules and Regulations**

All provisions of these rules and regulations shall be incorporated in each contract with each sewage system customer of *IRM* Utility, Inc..

### **Identifying of the Existence of the Service in Home Owners Associations, Property Owners Associations, and Restrictive Covenants:**

1. The identification of the existence of the wastewater treatment Services will be by including the following in such documents:
  - a. The Name and Address of the Utility
  - b. Indication that an Agreement for Services Will Be Required
  - c. Identifying that Fees for the Service Will Be Charged
  - d. Indication that there are Easements In and Along Private and Common Properties
  - e. Indicating that Lien Mechanisms Can Be Enforced For Nonpayment of Fees, Bills, or Assessments

Effective Date \_\_\_\_\_

### **Utility Items on Private Property**

The company shall own and maintain all STEP and STEG tanks, control systems, and service lines required to provide sewer service on the customer's premises. The customer must execute an agreement granting an easement to the company for maintenance of the sewer system. The building plumbing and Stub-out line shall be maintained by the customer.

### **Discontinuance of Service**

Service under any application may be discontinued for the following reasons:

1. Non-payment of bill as hereinafter set forth below.
2. For misrepresentation in the application.
3. For adding to the property or fixtures without notice to the company.
4. For molesting any service pipe, tank, control system, filter, or any property of the company in any way whatsoever.
5. For violation of any rules of the company.
6. For disconnecting or reconnecting service by any party, other than a duly authorized agent of the company, without the consent of the company.

### **Non-payment Penalties**

A non-payment penalty of five percent (5%) of the monthly charge will be due after the due date shown on the bill. If payment is received within fifteen days after the due date, a written notice will be sent to the customer. If payment is not received within 15 days of the written notice, sewer service will be turned off from the customer's property, with no additional notice being sent. No service shall be reconnected if discontinued for non-payment (or any valid reason) until all charges have been paid, including disconnection and reconnection fees. The disconnection fee is \$10.00 and the reconnection fee is \$15.00.

Where practical and at the discretion of IRM Utility, Inc., a lien to the property will be placed on the property for non-payment. An administrative fee will be charged equal to the costs of such lien including attorney fees, court costs, cost of mailing, advertising, and any other costs plus an additional 10% management fee.

### **Returned Checks**

A check returned by the bank will incur a fee of \$29.00.

### **Changes in ownership, Tenancy of Services**

A new application and agreement must be made and approved by the Company on any change in ownership of property, or in tenancy, or in the services as described in the application. In the event of failure of a new owner or tenant to make such application, the company shall have the right to discontinue service until such new application is made and approved.

### **Security Deposits**

Each new customer, before connection or reconnection of the service, will be required to make a refundable deposit to secure payment of sewage service bills in an amount double the monthly bill for that particular type of customer. Interest of two (2%) percent will be paid on any such refundable deposit for the period it is held by the company.

### **Initial Sewer System Access Fee**

The owner of each property parcel which is provided Service will be required to pay a sewer access fee typical of the nearest metropolitan area providing such service. The fee will be used to inspect hook-up, administration, and provide a rebate to the developer. The rebate will be based on the basis of a percentage of the tap fees and the number of taps at the anniversary of the initial service or start-up. A schedule for the rebate is below:

First Anniversary	48%
Second	38%
Third	28%

### **Sewer System Access Fee**

For existing Service or transfer of Service, a fee will be charged for education about their STEP/STEG components, an initial inspection and preventive maintenance call, and administrative costs. The fee will be \$250.00 for residential and \$500.00 for commercial applications.

## **Engineering, Materials and Construction Standards**

1. General – This specification covers the type of sewer system required for various design conditions of sewers constructed by developers. The requirements called for are minimum standards in all cases. Bedding conditions, material specifications, sealing requirements and installation methods are the responsibility of the Operator or design engineer and must be approved by the company. Design and construction of sewer lines shall meet the requirements of the State of Tennessee Department of Environment and Conservation (TDEC), in addition to this specification. Where conflicts exist, the more restrictive shall govern.
2. All sewage collection system components are to be free of I&I. This includes Stub-out lines, tanks, collector lines, service lines, and main lines. Collector lines and main lines are to be tested to 100 pounds per square inch of water pressure. Risers and lids are to be watertight.
3. STEP and STEG Tanks are to be installed near the building to be served. The tanks are to be set in a level condition and tested for water tightness before backfilling.
4. All pipe is to be PVC, classes and sizes will be per operator/engineer's design and in all cases SDR-21 class 2000 will be the minimum allowable.
5. Only wastewater drains are to be connected to the sewer system. No water sources such as roof drains, sump pumps, condensate lines and swimming pools shall be connected to the sewer system.

## **Special Pretreatment Sewage Requirements**

For all sewage connections the company reserves the right to require any nonresidential user to provide special pre-treatment for any high strength effluent before discharge into its sewage system. The company may, upon the basis of recognized operator/engineering standards and treatment costs, increase the rate charged to cover the cost of treatment of high strength effluent, commercial or industrial waste, and may impose standards as to the maximum size of solids and constituents in such waste discharged into its sewage system.

Additionally, if excessive volumes of sewage are received, the company may require the customer to monitor the flow volume and increase surge holding, treatment, and disposal capacity at the customer's expense. All customers will be required to follow the List of Required Practices for an effluent collection system, supplied to them by the IRM Utility, Inc. (attachment No. 3). These requirements prohibit the dumping of any toxic chemicals, non-biodegradable detergents, whitening agents, or other non-environmentally friendly compounds that kill tank bacteria. Also prohibited is the disposal of an excessive amount of grease, paints, pesticides or other typical household items that consumers introduce into sanitary sewer and storm drains.

## **Damages**

IRM Utility, Inc. shall in no event be responsible for maintaining any Stub-out line owned by the customer, nor for the damages created by sewage escaping there from, nor for defects in the customer's building lines or fixtures. The customer shall at all times comply with all regulations of the Tennessee Regulatory Authority and of IRM Utility, Inc.

All leaks in any building pipe or fixture on the premises of the customer shall be repaired by the customer. On failure to repair any such leak, the service may be discontinued until such repairs are made.

## **Inspection**

All pipes, valves, and fixtures, shall at all reasonable hours, be subject to inspection by the IRM Utility, Inc. or its duly authorized agent(s).

## **In Event of Emergency**

The company shall not be liable to the customer for interruption in service, or for damages or inconvenience as a result of any interruption, stoppage, etc., which was beyond the reasonable control of the IRM Utility, Inc. In the case of an emergency, call 865-674-0828 or other provided service number.

## **Service Area**

IRM Utility, Inc. will provide Service within its current service area. The Tennessee Regulatory Authority must approve additions to the service area.

## **Extension Plan**

IRM Utility, Inc. may furnish sewer service to property owners whose lands are about the main line of existing sewer systems. The sewer service charges listed in the sewer billing structure do not include costs for constructing the sewer system. Any sewer system components required to service such abutting properties shall be constructed at the cost of those parties desiring same, and these components shall become the property of IRM Utility, Inc., to be credited to the account for contributions in aid of construction. In addition, treatment system component costs will be paid by the customer desiring to hook on to the system. Sewer service to new areas within a service territory will be made available where it is technically feasible and the developer or property owner is willing to bear the expense of designing and building the sewer system.

### **Contributions in Aid of Construction**

Sewer system components furnished by the developers and landowners to IRM Utility, Inc. will be recognized as contributions in aid of construction in the amount of actual construction. Capital contributions from the developers will be treated in a like manner.

### **Contracts for Services**

Each customer, before installation of service, shall be required to execute a sewer service agreement with IRM Utility, Inc.

### **Customer Billing**

Customer billing may be different from area to area. If the area is serviced by a utility water service, the water provider will be requested to provide billing services. For flat fee areas a coupon book will be provided on an annual basis with monthly statements. Water bill comparisons or metering may be employed if higher water use than typical is suspected.

In cases where pass through treatment costs and commercial customers are involved, a monthly bill will be sent to the customer and be based on the gallons of water used.

### **Public Contact**

Jeffrey W. Cox, Sr.  
P.O. Box 642  
White Pine, Tennessee 37890  
Phone- 865-674-0828

### **Tennessee Regulatory Authority Regulations**

IRM Utility, Inc. in its operation, shall conform to all applicable rules and regulations promulgated by the Tennessee Regulatory Authority. Phone 1-800-342-8359

## Tariff Rate Sheet

### Commercial Sewer Rates – Without Food Service

The sewer bill will be charged on a monthly basis. The customer will provide a system that has an expected design flow and quality characteristics. Special conditions such as high treatment requirement or high flows may make other systems than addressed in this initial petition necessary. IRM Utility, Inc. will need to petition for rates on a case by case basis for such systems.

A minimum service charge will be \$70.00 per month for the first 300 gallons per day of design flow expected. For each additional 1,000 gallons per day an additional charge of \$14.00 per month per 100 gallons will be charged. For design flows expected over 1,000 gallons per day, the following additional monthly charges per 1,000 gallons of daily flow will apply:

Treatment	Disposal			
	Drip Irrigation	LDGP	LPP	Point Discharge
Sand Gravel Filter	\$135.00	-	-	\$160.00
Constructed Wetlands	\$140.00	-	-	-
Biofilter Process	\$135.00	-	-	-
Conventional *SSD	-	\$110.00	\$135.00	-

SSD = Subsurface Sewage Disposal Systems  
LDGP = Large Diameter Gravelless Pipe  
LPP = Low Pressure Pipe System

For design daily flows over 3,300 gallons, the monthly charge on all system configurations will be \$110.00 per 1000 gallons of daily flow.

Effective Date \_\_\_\_\_



Additional surcharges will apply when customers exceed their expected design flows. For any month that a customer's water meter reading exceeds the expected design flow, the following surcharges will apply:

<b>Excess Water Usage</b>	<b>Surcharge</b>
1 gallon to 1,000 gallons above expected design flow	\$170.00
1,001 gallons to 2,000 gallons above expected design flow	\$190.00
Over 2,000 gallons above expected design flow	\$200.00/1000 gals

If the water meter readings exceed the design flow or analysis indicates that effluent characteristics are not as indicated by the customer's design engineer, the monthly charge will be revised to reflect the increased usage and any capital costs associated with increasing the capacity of the system or upgrading the treatment for the greater loading will be paid by the customer.

Fees: Nonpayment – 5%

Disconnection - \$10.00

Reconnection - \$15.00

Returned Check - \$29.00

Franchise Fee will be passed through to customers

Bonding costs will be passed through to customers

Effective Date \_\_\_\_\_

## Tariff Rate Sheet

### Commercial Sewer Rates – With Food Service

The sewer bill will be charged on a monthly basis. The customer will provide a system that has an expected design flow and quality characteristics. Special conditions such as high treatment requirement or high flows may make other systems than addressed in this initial petition necessary. IRM Utility, Inc. will need to petition for rates on a case by case basis for such systems.

A minimum service charge will be \$90.00 per month for the first 300 gallons per day of design flow expected. For each additional 1,000 gallons per day an additional charge of \$16.00 per month per 100 gallons will be charged. For design flows expected over 1,000 gallons per day, the following additional monthly charges per 1,000 gallons of daily flow will apply:

Treatment	Disposal			
	Drip Irrigation	LDGP	LPP	Point Discharge
Sand Gravel Filter	\$165.00	-	-	\$160.00
Constructed Wetlands	\$140.00	-	-	-
Biofilter Process	\$160.00	-	-	-
Conventional *SSD	-	\$110.00	\$135.00	-

SSD = Subsurface Sewage Disposal Systems  
LDGP = Large Diameter Gravelless Pipe  
LPP = Low Pressure Pipe System

For design daily flows over 3,300 gallons, the monthly charge on all system configurations will be \$134.00 per 1000 gallons of daily flow.

Effective Date \_\_\_\_\_

Additional surcharges will apply when customers exceed their expected design flows. For any month that a customer's water meter reading exceeds the expected design flow, the following surcharges will apply:

<b>Excess Water Usage</b>	<b>Surcharge</b>
1 gallon to 1,000 gallons above expected design flow	\$200.00
1,001 gallons to 2,000 gallons above expected design flow	\$210.00
Over 2,000 gallons above expected design flow	\$210.00/1000 gals

If the water meter readings exceed the design flow or analysis indicates that effluent characteristics are not as indicated by the customer's design engineer, the monthly charge will be revised to reflect the increased usage and any capital costs associated with increasing the capacity of the system or upgrading the treatment for the greater loading will be paid by the customer.

Fees: Nonpayment – 5%

Disconnection - \$10.00

Reconnection - \$15.00

Returned Check - \$29.00

Franchise Fee will be passed through to customers

Bonding costs will be passed through to customers

Effective Date \_\_\_\_\_

**Secretary of State  
Division of Business Services**

**312 Eighth Avenue North  
6th Floor, William R. Snodgrass Tower  
Nashville, Tennessee 37243**

ISSUANCE DATE: 09/23/2002  
REQUEST NUMBER: 02266122  
TELEPHONE CONTACT: (615) 741-6488

CHARTER/QUALIFICATION DATE: 02/20/1991  
STATUS: ACTIVE  
CORPORATE EXPIRATION DATE: PERPETUAL  
CONTROL NUMBER: 0237604  
JURISDICTION: TENNESSEE

TO:  
INTEGRATED RESOURCE MANAGEMENT, INC.  
AT: JEFFREY W. COX  
3444 SAINT ANDREWS D  
BANEERRY, TN 37890

REQUESTED BY:  
INTEGRATED RESOURCE MANAGEMENT, INC.  
AT: JEFFREY W. COX  
3444 SAINT ANDREWS D  
BANEERRY, TN 37890

**CERTIFICATE OF EXISTENCE**

I, RILEY C DARNELL, SECRETARY OF STATE OF THE STATE OF TENNESSEE DO HEREBY CERTIFY THAT  
-----  
"INTEGRATED RESOURCE MANAGEMENT, INC."

-----  
IS A CORPORATION DULY INCORPORATED UNDER THE LAW OF THIS STATE WITH DATE OF  
INCORPORATION AND DURATION AS GIVEN ABOVE;  
THAT ALL FEES, TAXES, AND PENALTIES OWED TO THIS STATE WHICH AFFECT THE  
EXISTENCE OF THE CORPORATION HAVE BEEN PAID;  
THAT THE MOST RECENT CORPORATION ANNUAL REPORT REQUIRED HAS BEEN FILED  
WITH THIS OFFICE; AND  
THAT ARTICLES OF DISSOLUTION HAVE NOT BEEN FILED; AND  
THAT ARTICLES OF TERMINATION OF CORPORATE EXISTENCE HAVE NOT BEEN FILED

-----  
FOR: REQUEST FOR CERTIFICATE

ON DATE: 09/23/02

FROM:  
INTEGRATED RESOURCE MANAGEMENT, INC.  
PO BOX 642

WHITE PINE, TN 37890-0642

RECEIVED:	FEES	
	\$20.00	\$0.00
TOTAL PAYMENT RECEIVED:		\$20.00

RECEIPT NUMBER: 00003147616  
ACCOUNT NUMBER: 00406005



*Riley C Darnell*

RILEY C. DARNELL  
SECRETARY OF STATE

2033.0027

RECEIVED  
STATE OF TENNESSEE

1991 FEB 20 PM 2:20

STATE OF TENNESSEE

CHARTER

OF

BRYAN INTEGRATED RESOURCE MANAGEMENT, INC.  
SECRETARY OF STATE

The undersigned person, in order to form a corporation pursuant to the Tennessee Business Corporation Act hereby adopts the following charter for the above listed corporation:

1. The name of the corporation is Integrated Resource Management, Inc.

2. The number of shares of stock that the corporation is authorized to issue is Two Thousand (2,000) Shares.

3. a) The complete street address of the corporation's initial registered office in Tennessee, including County, is

3444 St. Andrews Drive  
Baneberry, Jefferson County, Tennessee 37890

(b) The name of the initial registered agent, to be located at the address listed in 3(a), is

Jeffrey W. Cox, Sr.

4. The name and complete address, including County, of each incorporator is

Martin Funderlic  
5000 Western Avenue #2912  
Knoxville, Knox County, Tennessee 37921

5. The complete address of the corporation's principal office, including County, is

3444 St. Andrews Drive  
Baneberry, Jefferson County, Tennessee 37890

6. All stock issued is common no par stock.

7. The corporation is for profit.

8. The names of the initial Directors are

Jeffrey W. Cox, Sr.  
Martin Funderlic

9. No director may be sued by the Corporation or its Shareholders for breach of his or her fiduciary duty to the Corporation, provided, however, that this provision shall not absolve a director from a breach of his or her duty of loyalty, for acts or omissions not in good faith or which involve intentional misconduct or a knowing violation of law, or for distributions in violation of T.C.A. §48-18-304.

Martin Funderlic  
Incorporator's Signature

MARTIN FUNDERLIC

Incorporator's Name, Typed or Printed

1-21-91  
Date of Signature

C. AIRBORNE, DAVIS,  
BUUCK & HURLEY  
SUITE 300  
713 MARKET STREET  
KNOXVILLE, TN  
37902-2388  
(615) 971-4040

## CORPORATION ANNUAL REPORT

4400 1924

Please return completed form to:  
**TENNESSEE SECRETARY OF STATE**  
Attn: Annual Report  
312 Eighth Ave. N, 6th Floor  
William R. Snodgrass Tower  
Nashville, TN. 37243

## Annual Report Filing Fee Due:

\$20, if no changes are made in block #6 to the registered agent/office, or  
\$40, if any changes are made in block #6 to the registered agent/office

NEXT FISCAL YEAR CLOSING MONTH: 12  
CORRECT MONTH IS

IF DIFFERENT,

THIS REPORT IS DUE ON OR BEFORE 04/01/02

(1) SECRETARY OF STATE CONTROL NUMBER: 0237604

(2A.) NAME AND MAILING ADDRESS OF CORPORATION:

INTEGRATED RESOURCE MANAGEMENT, INC.

3444 ST. ANDREWS DR.

BANEERRY, TN 37890

|||||

D 02/20/1991

FOR PROFIT

(2B.) STATE OR COUNTRY OF INCORPORATION:

TENNESSEE

(2C.) ADD OR CHANGE MAILING ADDRESS:

(3) A. PRINCIPAL ADDRESS INCLUDING CITY, STATE, ZIP CODE:  
3444 ST. ANDREWS DR., BANEERRY, TN 37890

B. CHANGE OF PRINCIPAL ADDRESS:

STREET

CITY

STATE

ZIP CODE + 4

(4) NAME AND BUSINESS ADDRESS, INCLUDING ZIP CODE, OF THE PRESIDENT, SECRETARY AND OTHER PRINCIPAL OFFICERS.  
(ATTACH ADDITIONAL SHEET IF NECESSARY.)

TITLE	NAME	BUSINESS ADDRESS	CITY, STATE, ZIP CODE + 4
PRESIDENT	JEFFREY W. COX, Sr.	3444 ST. ANDREWS DR.	Baneberry, TN 37890
SECRETARY	MARIAN J. COX	3444 ST. ANDREWS DR.	Baneberry, TN 37890

(5) BOARD OF DIRECTORS (NAMES, BUSINESS ADDRESS INCLUDING ZIP CODE). (ATTACH ADDITIONAL SHEET IF NECESSARY.)

OR LISTED BELOW:	NAME	BUSINESS ADDRESS	CITY, STATE, ZIP CODE + 4

☒ SAME AS ABOVE ☐ NONE

(6) A. NAME OF REGISTERED AGENT AS APPEARS ON SECRETARY OF STATE RECORDS:

JEFFREY W. COX, SR.

B. REGISTERED ADDRESS AS APPEARS ON SECRETARY OF STATE RECORDS:

3444 ST. ANDREWS DR, BANEERRY, TN 37890

C. INDICATE BELOW ANY CHANGES TO THE REGISTERED AGENT NAME AND/OR REGISTERED OFFICE.

(I). CHANGE OF REGISTERED AGENT:

(II). CHANGE OF REGISTERED OFFICE:

STREET

CITY

STATE  
TN

ZIP CODE + 4

COUNTY

(7) A. THIS BOX APPLIES ONLY TO NONPROFIT CORPORATIONS. OUR RECORDS REFLECT THAT YOUR NONPROFIT CORPORATION IS A PUBLIC BENEFIT OR A  
MUTUAL BENEFIT CORPORATION AS INDICATED: IF BLANK OR INCORRECT, PLEASE CHECK APPROPRIATE BOX:

☐ PUBLIC  
☐ MUTUAL

B. IF A TENNESSEE RELIGIOUS CORPORATION, PLEASE CHECK BOX IF BLANK.

☐ RELIGIOUS

(8) SIGNATURE

(9) DATE

01-17-02

TYPE PRINT NAME OF SIGNER:

JEFFREY W. COX, Sr.

(11) TITLE OF SIGNER

President

\* THIS REPORT MUST BE DATED AND SIGNED \*



CONTINUED ON BACK

**Secretary of State  
Division of Business Services**

**312 Eighth Avenue North  
6th Floor, William R. Snodgrass Tower  
Nashville, Tennessee 37243**

ISSUANCE DATE: 09/23/2002  
REQUEST NUMBER: 02266122  
TELEPHONE CONTACT: (615) 741-6488

CHARTER/QUALIFICATION DATE: 02/20/1991  
STATUS: ACTIVE  
CORPORATE EXPIRATION DATE: PERPETUAL  
CONTROL NUMBER: 0237604  
JURISDICTION: TENNESSEE

TO:  
INTEGRATED RESOURCE MANAGEMENT, INC.  
AT: JEFFREY W. COX  
3444 SAINT ANDREWS D  
BANEERRY, TN 37890

REQUESTED BY:  
INTEGRATED RESOURCE MANAGEMENT, INC.  
AT: JEFFREY W. COX  
3444 SAINT ANDREWS D  
BANEERRY, TN 37890

**CERTIFICATE OF EXISTENCE**

I, RILEY C DARNELL, SECRETARY OF STATE OF THE STATE OF TENNESSEE DO HEREBY CERTIFY THAT  
-----  
"INTEGRATED RESOURCE MANAGEMENT, INC."

-----  
IS A CORPORATION DULY INCORPORATED UNDER THE LAW OF THIS STATE WITH DATE OF  
INCORPORATION AND DURATION AS GIVEN ABOVE;  
THAT ALL FEES, TAXES, AND PENALTIES OWED TO THIS STATE WHICH AFFECT THE  
EXISTENCE OF THE CORPORATION HAVE BEEN PAID;  
THAT THE MOST RECENT CORPORATION ANNUAL REPORT REQUIRED HAS BEEN FILED  
WITH THIS OFFICE; AND  
THAT ARTICLES OF DISSOLUTION HAVE NOT BEEN FILED; AND  
THAT ARTICLES OF TERMINATION OF CORPORATE EXISTENCE HAVE NOT BEEN FILED

-----  
FOR: REQUEST FOR CERTIFICATE

ON DATE: 09/23/02

FROM:  
INTEGRATED RESOURCE MANAGEMENT, INC.  
PO BOX 642

	FEES	
RECEIVED:	\$20.00	\$0.00
TOTAL PAYMENT RECEIVED:		\$20.00

RECEIPT NUMBER: 00003147616  
ACCOUNT NUMBER: 00406005

WHITE PINE, TN 37890-0642



*Riley C Darnell*

RILEY C. DARNELL  
SECRETARY OF STATE



**Secretary of State**  
**Division of Business Services**  
**312 Eighth Avenue North**  
**( Floor, William R. Snodgrass Tower**  
**Nashville, Tennessee 37243**

ISSUANCE DATE: 10/23/2002  
REQUEST NUMBER: 02296512

CHARTER/QUALIFICATION DATE: 02/20/1991  
STATUS: ACTIVE  
CORPORATE EXPIRATION DATE: PERPETUAL  
CONTROL NUMBER: 0237604  
JURISDICTION: TENNESSEE

TO:  
DELPHI COMMUNICATIONS INC  
PO BOX 330397  
  
NASHVILLE, TN 37203-7503

REQUESTED BY:  
DELPHI COMMUNICATIONS INC  
PO BOX 330397  
  
NASHVILLE, TN 37203-7503

I, RILEY C DARNELL, SECRETARY OF STATE OF THE STATE OF TENNESSEE DO HEREBY CERTIFY THAT  
-----  
"INTEGRATED RESOURCE MANAGEMENT, INC."

-----  
WAS INCORPORATED OR QUALIFIED TO DO BUSINESS IN THE STATE OF TENNESSEE ON THE  
ABOVE DATE, AND THAT THE ATTACHED DOCUMENT(S) WAS/WERE FILED IN OFFICE ON THE  
DATE(S) AS BELOW INDICATED:

REFERENCE NUMBER	DATE FILED	FILING TYPE	FILING ACTION
2088-0027	02/20/1991	CHART-PROFIT	NAM DUR STK PRN OFC AGT INC MAL FYC
4400-1924	04/01/2002	AN RPT	

-----  
FOR: REQUEST FOR COPIES

ON DATE: 10/23/02

FROM:  
DELPHI COMMUNICATIONS INC  
P.O. BOX 330397  
  
NASHVILLE, TN 37203-7503

FEEs  
RECEIVED: \$60.00 \$0.00  
TOTAL PAYMENT RECEIVED: \$60.00

RECEIPT NUMBER: 00003160556  
ACCOUNT NUMBER: 00005824



*Riley C Darnell*

RILEY C. DARNELL  
SECRETARY OF STATE

# CORPORATION ANNUAL REPORT

Please return completed form to:  
**TENNESSEE SECRETARY OF STATE**  
 Attn: Annual Report  
 312 Eighth Ave. N, 6th Floor  
 William R. Snodgrass Tower  
 Nashville, TN. 37243

Annual Report Filing Fee Due:

\$20, if no changes are made in block #6 to the registered agent/office, or  
 \$40, if any changes are made in block #6 to the registered agent/office

FRR SCAL YEAR CLOSING MONTH: <u>12</u> FRR MONTH IS _____	IF DIFFERENT, _____	THIS REPORT IS DUE ON OR BEFORE <u>04/01/02</u>
--	---------------------	---

SECRETARY OF STATE CONTROL NUMBER: 0237604

A.) NAME AND MAILING ADDRESS OF CORPORATION:

**INTEGRATED RESOURCE MANAGEMENT, INC.**

**3444 ST. ANDREWS DR.**

**BANEERRY, TN 37890**



**D 02/20/1991 FOR PROFIT**

(2B.) STATE OR COUNTRY OF INCORPORATION:

**TENNESSEE**

(2C.) ADD OR CHANGE MAILING ADDRESS:

*COPY*

A. PRINCIPAL ADDRESS INCLUDING CITY, STATE, ZIP CODE:

**3444 ST. ANDREWS DR., BANEERRY, TN 37890**

B. CHANGE OF PRINCIPAL ADDRESS:

STREET

CITY

STATE

ZIP CODE + 4

C. NAME AND BUSINESS ADDRESS, INCLUDING ZIP CODE, OF THE PRESIDENT, SECRETARY AND OTHER PRINCIPAL OFFICERS. (ATTACH ADDITIONAL SHEET IF NECESSARY.)

TITLE	NAME	BUSINESS ADDRESS	CITY, STATE, ZIP CODE + 4
PRESIDENT	JEFFREY W. Cox, Sr.	3444 ST. ANDREWS Dr.	Baneberry, TN 37890
SECRETARY	MARIAN J. Cox	3444 ST. ANDREWS Dr.	Baneberry, TN 37890

D. BOARD OF DIRECTORS (NAMES, BUSINESS ADDRESS INCLUDING ZIP CODE). (ATTACH ADDITIONAL SHEET IF NECESSARY.)

OR LISTED BELOW:	NAME	BUSINESS ADDRESS	CITY, STATE, ZIP CODE + 4
------------------	------	------------------	---------------------------

☒ SAME AS ABOVE ☐ NONE

CITY, STATE, ZIP CODE + 4

A. NAME OF REGISTERED AGENT AS APPEARS ON SECRETARY OF STATE RECORDS:

**JEFFREY W. COX, SR.**

B. REGISTERED ADDRESS AS APPEARS ON SECRETARY OF STATE RECORDS:

**3444 ST. ANDREWS DR, BANEERRY, TN 37890**

C. INDICATE BELOW ANY CHANGES TO THE REGISTERED AGENT NAME AND/OR REGISTERED OFFICE.

(I). CHANGE OF REGISTERED AGENT:

(II). CHANGE OF REGISTERED OFFICE:

STREET

CITY

STATE  
TN

ZIP CODE + 4

COUNTY

A. THIS BOX APPLIES ONLY TO NONPROFIT CORPORATIONS. OUR RECORDS REFLECT THAT YOUR NONPROFIT CORPORATION IS A PUBLIC BENEFIT OR A MUTUAL BENEFIT CORPORATION AS INDICATED:

IF BLANK OR INCORRECT, PLEASE CHECK APPROPRIATE BOX:

☐ PUBLIC  
☐ MUTUAL

B. IF A TENNESSEE RELIGIOUS CORPORATION, PLEASE CHECK BOX IF BLANK.

☐ RELIGIOUS

SIGNATURE	(9) DATE <u>01-17-02</u>
PRINT NAME OF SIGNER: <u>JEFFREY W. Cox, Sr.</u>	(11) TITLE OF SIGNER <u>President</u>

\*\* THIS REPORT MUST BE DATED AND SIGNED \*\*

CONTINUED ON BACK

## PLAN AND AGREEMENT FOR CORPORATE REORGANIZATION

AGREEMENT made November 20, 2002, among Integrated Resource Management, Inc., a Tennessee corporation, hereinafter called the Corporation; and Jeffrey W. Cox, Sr. the shareholder thereof.

WHEREAS, the shares of the Corporation are entirely owned by Jeffrey W. Cox, who is also a director of the Corporation, and;

WHEREAS, the Corporation is engaged in the separate businesses of operating privately owned public utilities and the business of marketing products and materials associated with the operation of a privately owned public utility, and;

WHEREAS, shareholder has decided upon a division of the businesses of the Corporation so that the business of marketing products and materials associated with the operation of a privately owned public utility, hereinafter called the Products Marketing Business, and the business of actually operating a privately owned public utility will continue in the Corporation, hereinafter called the Public Utilities Business.

Now, therefore, in consideration of the premises, and upon the terms and conditions hereinafter set forth, the parties have agreed as follows:

## TERMS

The following Plan of Corporate Reorganization, hereinafter referred to as the Plan, is hereby approved, adopted, and agreed upon:

1. DEFINITIONS. As used in the Plan, the following terms shall have the following meanings:

- (a) "Corporation" shall mean Integrated Resource Management, Inc., a Tennessee corporation.
- (b) "Date of Closing" shall mean November 20, 2002.
- (c) "Closing Balance Sheet" shall mean a balance sheet prepared as of the Date of Closing in the customary manner from the books and records of the Corporation. Except as may hereinafter be otherwise specifically provided, all assets and liabilities shall be taken at book value for the purpose of preparing the Closing Balance Sheet.
- (d) "Book Value" shall mean the value for an asset or liability appearing on the books as of the Date of Closing.
- (e) "Public Utilities Business" shall mean all assets of Integrated Resource Management, Inc. other than those constituting the "Products Marketing Business" as defined below.

(f) "Products Marketing Business" shall mean all of the inventory of materials currently owned by Integrated Resource Management, Inc. and which are used in the operation of a privately owned utility.

2. ORGANIZATION OF TRANSFEREE CORPORATION. The Corporation shall cause, or has caused, to be organized, under the laws of Tennessee, a new corporation to be known as Aquatics Resources, Inc., hereinafter sometimes referred to as "Aquatics Resources". All of the authorized shares of Aquatics Resources, Inc. shall be issued and delivered to the Corporation in fully paid, nonassessable certificates.

3. TRANSFER OF ASSETS and LIABILITIES TO NEW CORPORATION. In exchange for the shares of Aquatics Resources, Inc., the Corporation shall assign, transfer, convey, and deliver to Aquatics Resources the assets of the Products Marketing Business, subject, however, to the following exceptions and adjustments:

(a) Aquatics Resources, Inc. shall receive, as its share of the net assets, all of the assets specifically identified with the Corporation's Products Marketing Business.

(b) The Corporation shall retain, as part of its share of the net assets, all assets not specifically identified with the Corporation's Products Marketing Business and shall take the same subject to (and shall assume) all liabilities arising out of the activities of the Corporation occurring prior to the closing date.

(c) All trademarks and trade names owned by the Corporation shall be specifically retained by the Corporation.

(d) The existing line of credit that Corporation has utilized to fund the operation of the Products Marketing Business shall be assumed by Aquatics Resources, Inc. (with Corporation being secondarily liable if necessary).

4. ACCOUNTS RECEIVABLE AND PAYABLE. All accounts receivable and payable accruing prior to the closing date shall be retained by the Corporation.

5. PENSION PLAN. The Pension Plan (if any) shall, subject to the approval of the Internal Revenue Service, be divided between the Corporation and Aquatics Resources, Inc., in proportions and according to the employees covered by the Pension Plan retained by each after the Date of Closing.

6. UNKNOWN LIABILITIES. The Corporation hereby guarantees payment of all liabilities, obligations, debts, and demands of the Corporation (including, without limitation, claims for taxes of all kinds, penalties, and interest, and any liability for violation of the Federal Labor Relations Law or the Rules and Regulations of the Federal Labor Relations Board), not specifically embraced or provided for in the Closing Balance Sheet of the Corporation.

7. CLOSING. The Plan shall become operative at the Date of Closing. At 2 p.m. on such date, the transactions contemplated by the Plan and by this agreement shall be consummated at the office of the Corporation. The Corporation shall assign, transfer, convey, and deliver to Aquatics Resources, Inc. the various items of property required by the Plan. Immediately after the transfer of said property to Aquatics Resources, Inc. then Corporation shall transfer to Jeffrey W. Cox, Sr. all of its shares in Aquatics Resources, Inc.

8. ARBITRATION. Any dispute involving the Corporation and Aquatics Resources, Inc. arising out of and by reason of this agreement or the Plan set forth herein, or the construction and performance thereof, shall be submitted for determination to binding arbitration.

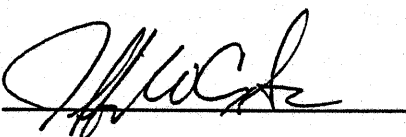
9. AUTHORIZATION AND BENEFIT. This agreement and the terms and provisions hereof shall be binding upon and inure to the benefit of the parties, their personal representatives, successors, and assigns. This agreement is being executed by the Corporation pursuant to a resolution adopted this day at a joint special meeting of its directors and shareholders. Jeffrey W. Cox, Sr. covenants that at or before the Date of Closing he will cause this agreement to be approved and executed by Aquatics Resources, Inc. pursuant to valid authority from its shareholder and directors.

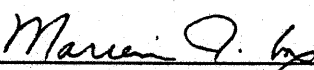


In witness whereof the parties have executed this agreement the day and year first above written.

Integrated Resource Management, Inc.

Attest:

By   
Jeffrey W. Cox, Sr.  
President

  
Marian J. Cox  
Secretary



***Petition of a Wastewater Company, IRM Utility, Inc.***

for a

***Certificate of Public Convenience and Necessity for an Investor Owned Utility***

## **Section 18**

### **Owners of the Company**

*IRM Utility, Inc.* is a family based business. Jeffrey W. Cox, Sr. is the founder of Integrated Resource Management, Inc. Jeffrey Cox has created a creative plan for stock assessment and investment into the company. Plans are for the company to grow and offer an employee based profit sharing plan.

The stock has just recently been offered to investors.

The Board of Directors consists of E. Dana Cox, Sr., E. Dana Cox, III, Marian J. Cox, and Jeffrey W. Cox, Sr.

Mr. E. Dana Cox, Jr. the Chief Financial Officer has optioned some of the stock and may purchase more depending on the needs of the company. This option has not been executed at this time.

For all intents and purposes at this time the company is owned by:

Jeffrey W. Cox, Sr.  
3444 Saint Andrews Drive  
Baneberry, TN 37890



***Petition of a Wastewater Company, IRM Utility, Inc.***

*for a*

***Certificate of Public Convenience and Necessity for an Investor Owned Utility***

**Section 19**

**Gas Companies Information**

***IRM Utility, Inc. is not providing gas service at this time.***

Black Bear Ridge  
GBO Enterprises, L.L.C.  
1159 E. Wears Valley Road  
Pigeon Forge, Tennessee 37863

This Agreement made and entered into this 17<sup>th</sup> day of December, 2002, by and between IRM Utilities, Inc., a Tennessee Corporation, hereinafter referred to as "Utility" and BLACK BEAR RIDGE PROPERTIES LLC, hereinafter referred to as "Developer".

For and in consideration of valuable consideration, the receipt of all which is acknowledged, the parties hereto enter into the following agreement:

### TERMS

Particularly that the Utility will in the future be responsible for the repair, maintenance, and replacement of the sewage collection, treatment, and disposal system to be installed to serve this development and to maintain the total system, and other good, and the Developer shall install a sewage collection, treatment, and disposal system (hereinafter "System") to serve the BLACK BEAR RIDGE PROPERTIES LLC Development, hereinafter referred to as the "Development", and shall do so in accordance with those drawings, plans, and specifications as approved by the Utility's engineers or representatives.

The Developer shall provide a Performance Bond, Irrevocable Letter of Credit or appropriate surety for construction of the system. The surety shall be made in the name of the Utility. The amount will be ten% more than a reasonable responsible estimate.

The Developer shall, at its sole expense (including all fees and construction costs), perform all of the necessary work for the installation of said System in accordance with the drawings, plans, and specifications referred to hereinbefore.

Construction of the System shall be subject to the supervision and approval of the Utility's engineers and representatives, who shall have a right of inspection throughout the progress of the work. Developer agrees that it shall not backfill soils over or cover any pipe, fittings, or connections until first inspected and approved by the Utility.

If, prior to the actual installation of the facilities provided for in the plans and specifications, the Plat of the Subdivision shall be changed by mutual agreement of the parties hereto, then such changes shall be deemed incorporated in this

contract as though set out herein. A copy of any such changed plans shall be attached to this agreement and made a part hereof.

For services to be performed by Utility hereunder, the Developer hereby agrees to pay to the Utility a non-refundable amount equal to 10% of the actual costs of constructing the System (hereinafter the "Actual Compensation Amount"). Developer shall, upon execution of this contract, pay to Utility an amount which is equal to ten percent of the estimated construction cost of the System (hereinafter the "Estimated Compensation Amount"). Upon completion of construction of the System, Developer shall provide Utility with an itemized ledger and accounting of the actual costs to construct the System for purposes of calculation of the Actual Compensation Amount. In the event that the actual costs of construction of the System shall exceed the estimate then the Developer shall pay to the Utility the difference between the Estimated Compensation Amount and the Actual Compensation Amount.

The Utility will petition the Tennessee Regulatory Authority for a Certificate of Public Convenience and Necessity (CCN) for the Development. The funds paid to the Utility will be used at the discretion of the Utility to perform this function. The funds are non-refundable in the event the petition is not granted for any reason whatsoever. The Utility does not guarantee that a CCN will be granted for the Development. The Utility will be held harmless for any and all prior and future financial obligations the Developer incurs related to this Development.

The Developer shall have the duty to immediately repair, at its own cost and expense, all breaks, leaks, or defects in the System, of any type-whatsoever, which occur within one (1) year from the date the System is accepted by the Utility. In the event that Developer shall fail to make such immediate repairs then the Utility shall be authorized to make such repairs at the sole expense of the Developer.

The developer will supply as built plans with an operations manual for said system.

The Developer shall install service connections for all service sewers to the property line, common area, or easement of each lot or building site in said subdivision. Watertight tanks and service connection lines may be installed by builder or developer at their respective expense. The septic tank effluent pumping (STEP) system will be as approved by the Utility.

The developer will facilitate and execute Restrictive Covenants and Bi-Laws (Bi-Laws) of the Development that provide or indicate: a service agreement or contract between the owner and the Utility will be required by each homeowner to establish wastewater service, the Utility will charge an initial fee or tap fee and a monthly fee, the fee is to be determined and will be established by a proposal to the Tennessee Regulatory Authority (TRA), and a description of the Septic

Tank Effluent Pumping system that is approved by the engineers of the Utility. It will be stipulated that only the approved system or equal that is approved by the Utility can be utilized.

Upon the granting of the petition for the Certificate of Convenience and Necessity, the developer will turn over any POA monies that are collected for the purpose of operation of the wastewater system as spelled out in the initial Bi-Laws.

Nothing herein contained shall abridge the Utility's right to extend this System as it deems appropriate.

The Developer hereby represents and warrants that all materials incorporated into the System, and all of its subcontractors, shall be paid for in full upon completion of the installation of the System and that no liens or encumbrances shall remain for the installation of said work.

The Developer hereby represents and warrants that the System will be in conformance with the foregoing provisions, and the plans and specifications above mentioned, and that written easements will be provided five feet (5') in width on each side of the center line of all sewers installed hereunder, other than sewers along public right-of-way.

It is agreed that the Utility shall have exclusive title and ownership of the System in the subdivision and the Developer shall convey to the Utility, free and clear of all encumbrances. The Developer shall, upon request of the Utility, execute and deliver a Deed of Conveyance of all said property, suitably acknowledged for registration.

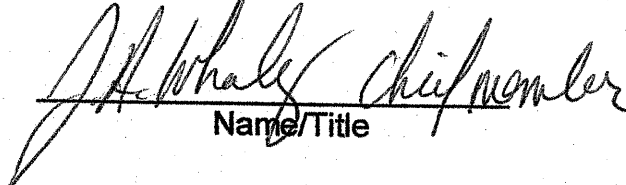
In Witness Whereof, the parties hereto have entered into this agreement as of the day and date first written above.

Utility – IRM Utility, Inc.

  
\_\_\_\_\_  
Name/Title

12-17-02  
\_\_\_\_\_  
Date

Developer

  
\_\_\_\_\_  
Name/Title

12-17-02  
\_\_\_\_\_  
Date

Furthermore:



***Petition of a Wastewater Company, IRM Utility, Inc.***

*for a*

***Certificate of Public Convenience and Necessity for an Investor Owned Utility***

**Key Personnel of IRM Utility, Inc.**

**Mr. E. Dana Cox, Jr., Chief Financial Officer**

Mr. E. Dana Cox, Jr. has over 40 years experience in the management of multi-million dollar businesses. He has worked mainly in the industry of public broadcasting since acquiring his Masters of Arts at The Ohio State University in 1963. During his tenure he has received certificates and awards:

- Certificate (Supervisory Management) Educational Broadcasting Institute, Chicago, Illinois, 1968
- Certificate (Financial Management) Educational Broadcasting Institute, New York, New York, 1972
- Certificate (Rights, Responsibilities, & Regulations of Broadcasting) Educational Broadcasting Institute, Cincinnati, Ohio, 1973
- Certificate (Long Range Planning & Financial Planning) American Management Association, Toledo, Ohio, 1973

Mr. Cox's experience in a highly monitored federal accounting of a public service business will be of great benefit to the utility. Mr. Cox will be Chief Financial Officer for the utility and will be appointed as a member of the board of directors for IRM Utility, Inc. He will be in charge of the financial management of the company, long range financial management, and the management of routine billing and collections.

**Mr. William H. Eaton, Class IV Wastewater Operator**

Mr. William H. Eaton of Goodlettsville, Tennessee is providing services as our utility operator. Mr. Eaton has a Class IV Wastewater and Class IV Drinking Water license and is certified in collection systems, also. He has been working in the industry since acquiring his Master of Science Degree from the University of Tennessee in 1987. He also acquired his Bachelor of Science Degree with high honors in 1984 while attending the University of Tennessee. Among the positions that he has held is management and operations of Municipal Wastewater plants with daily flows exceeding 100,000,000 gallons. He has



gained experience in the management of sewage sludge and municipal sewage waste, composting facilities, as well as drinking water treatment and distribution systems. He also has experience with hazardous materials, and the homeland security programs and policies. Mr. Eaton will be able to employ a sound maintenance and monitoring program.

**Mr. Jeffrey W. Cox, Sr., Technical Director and C.E.O.**

Jeffrey W. Cox, Sr., the founder of IRM Utilities, Inc., has assessed tens of thousands of sites for considerations with wastewater disposal. He has been involved in the management and monitoring of over 1,000,000 tons of municipal wastewater sludge (Biosolids) over the last twenty-two years. As an agricultural consultant Mr. Cox has sampled over 40,000 acres of farmland, and has made recommendations for irrigation on thousands of acres. His environmental business has accomplished the mitigation and restoring of wetlands and streams. Combining his field experience in soil classification, agronomy, and geomorphology with his education of a B.S. in Microbiology from The Ohio State University, Mr. Cox can provide unique and thorough site evaluations.

Mr. Cox has owned and operated a private business in Tennessee since 1980. He has used Brookside Laboratories for over 22 years performing all types of environmental analysis and monitoring. He worked with the County of Jefferson County mapping soils for the Soil Survey Party of the USDA, Soil Conservation Service. He also worked with the Tennessee Department of Health and Environment as a soil scientist for the Knox County Health Department.

**Mr. Michael Gibson, Technical Director of Operations**

Mr. Michael Gibson has been involved in hundreds of residential and commercial construction projects over the last ten years in Tennessee. He has been in charge of confirming conformance to design standards and plans. Mr. Gibson has managed multiple construction crews as well as manufacturing crews in light industry. Working with industry he has gained experience with hazardous materials storage and handling. As quality control and quality assurance manager he has worked with customizing problem applications. Mr. Gibson will be in charge of treatment system plans conformance.

**Mrs. Marian Cox, Office Manager**

Marian Cox graduated with an Associate of Science Degree in Dental Hygiene from Shawnee State College in 1977. As a dental hygienist she has had almost 9 years of dental office experience before starting with Environmental Soil Consulting in 1986. There she was responsible for all aspects of office management, including filing, bookkeeping, working reception, and other office management.